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EDITORIAL

As We See It

There are substantial and influential groups in this country who apparently cannot feel comfortable or confident about the future so long as the expenditures of the Federal Government do not exceed income. This reverence for an unbalanced budget is a tribute to the teachings of John Maynard Keynes (later Lord Keynes) and the preachings of Franklin Roosevelt and his brain trusts. There is much reason to suspect that Lord Keynes would now regard much of the current programs as "modernism turned sour and silly." What Franklin Roosevelt would think of them would not be easy to guess. His actions and his policies were never easy to forecast. There is, however, no room for doubt that many if not most of those who are today proud to call him master see more virtue in unbalanced budgets than in any sort of pay-as-you-go program.

With each boast from Moscow, there comes a new and more doleful wail that we shall never "catch up" with the Soviets and can never hope to be as secure as we might be so long as we insist upon balancing the Federal budget. To hear a good many of these critics talk, one would suppose that there was some sort of magic in a fiscal deficit. The cry that we are not spending enough on defense is heard far more often than that we are not doing enough. When the representatives of each of the service arms say, as is quite usual, that whatever the others are getting, they are not getting as much money as they should have—well more grist is supplied to the critic's mill. Unemployment apparently lingering somewhat longer than had been expected strangely adds to the need to spend more for this,

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Recession, Recovery and Maximum Economic Growth

By WILLIAM McCHESNEY MARTIN, JR.*
Chairman, Federal Reserve System

Country's monetary head makes clear we must: (1) have budgetary surpluses and not deficits in prosperous times; (2) cease using the banking "high road to monetary inflation"; and (3) end the cost-push price spiral, if we are to show the world that a free economy can outperform totalitarian economies in achieving real progress without inflation. Mr. Martin reviews Federal Reserve's efforts over the past 16-month period of recession and recovery; denies that facing up to inflation means being blind to economic growth; outlines bank's role in aiding Treasury financing and dollar stability; and warns that inflationary expectations deter savings and that currency debasement imperils our free institutions.

W. McC. Martin, Jr.

When I testified before the Joint Economic Committee last year, on behalf of the Federal Reserve Board, economic activity in this country was receding. Contraction in output and employment was general. Unemployment was rising at a disturbing pace. No one could be sure how far downward adjustment would go, or how long it would last.

We pointed out then that, with the exception of the catastrophic recession of the 'Thirties, every moderate cyclical decline since World War I had been checked in the course of a year. It was further emphasized that many forces were present in the economy that were favorable to eventual recovery. But at that time we did not know, nor did we then expect, the vigorous recovery would so soon be in full swing, and that contraction from 1957 levels of activity would be shorter in duration than most

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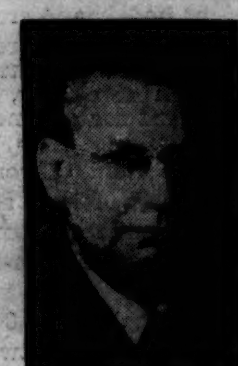
*Statement by Mr. Martin before the Joint Economic Committee, Washington, D. C., Feb. 6, 1959.

Our Fiscal Situation and Its Impact on the Economy

By HON. ROBERT B. ANDERSON*
Secretary of the Treasury

Country's fiscal chief explains why he is most concerned about the size of the recession-induced deficit and the attitude that we need not balance the budget. Denying that paying our way now is being negative, Mr. Anderson narrows the country's fiscal problem down to the fact that the association of deficits to inflation will keep people from saving and, also, that orderly finances is the key to the free world's strength. Turning to assumptions underlying the budget, the Treasury head expects: (1) slightly less vigorous recovery than that of post-1954 recession; and (2) $374 billion personal income and $47 corporate profits in 1959. Says rejection of major tax cuts last Spring has been vindicated by events.



Robert B. Anderson

I welcome the opportunity to discuss the government's fiscal outlook and some of its implications for the nation's economy. First, I should like to discuss the budget for the fiscal year 1960. We estimate total receipts of $77.1 billion. Of this total, $40.7 billion is expected to come from individual income taxes, and $21.4 billion from corporation income taxes. The assumptions for the calendar year 1959 underlying these figures are $374 billion for personal income, and $47 billion for corporate profits.

These income assumptions were arrived at after careful studies and consultations utilizing all data and judgment available both inside and outside the government. The increases they represent imply a continued vigorous recovery, but at a slightly lesser rate than we experienced after the 1954 recession. Somewhat larger revenue gains, too, were

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*Statement by Mr. Anderson before the Joint Economic Committee, Washington, D. C., Feb. 5, 1959.

PICTURES IN THIS ISSUE — Candid photograps taken on the occasion of the 35th Annual Dinner of the BOSTON SEC' RITIES TRADERS ASSOCIATION appear in today's PICTORIAL SECTION.

The Security I Like Best

A continuous forum in which, each week, a different group of experts in the investment and advisory field from all sections of the country participate and give their reasons for favoring a particular security.

(The articles contained in this forum are not intended to be, nor are they to be regarded, as an offer to sell the securities discussed.)

HUBERT F. ATWATER
Wood, Walker & Company,
New York City
Members N. Y. Stock Exchange

Hercules Galion Products Inc.

This business which had its inception in 1905, adopted the present name of Hercules Galion Products, Inc. in 1955 upon the merger of Hercules Steel Products Corporation and Central Ohio Steel Products Co. Both companies had plants at Galion, O., near Cleveland. On Oct. 1, 1956, the Kingham Trailer Co. of Louisville, Kentucky was acquired and is operated as a wholly-owned subsidiary.


Hubert F. Atwater

Hercules Galion makes many products for the road building industry, including telescopic dump trucks, batch trucks, mobile concrete mixers, a line of hoists and other heavy duty equipment as well as special vehicles for refuse removal, vans, steel and lightweight bodies and trailers.

Other products are heat proof burial vaults finished in either porcelain or copper, and kitchen equipment for commercial installations.

In the field of contract work, Hercules machines and partially assembles the mechanism of one of the popular pin-spotter machines.

Hercules has 835,845 shares of common stock and two small preferred stock issues, one of which is convertible and has a sinking fund. Debt consists of $2,000,000 5¼% notes due 1972 held by an insurance company, and $640,000 subordinated 5% notes issued in connection with the acquisition of the Kingham Trailer Co.

Now, no one boasts that the heavy duty truck and trailer business was satisfactory in the period which the 1958 annual reports of major companies refer to as the "late business recession." Hercules Galion suffered with the rest of the industry, but closed its fiscal year on Sept. 30, 1958 with a net profit after taxes of $108,000.

This is not a good showing when compared with the previous year's net of $741,000, but the financial position of the company is strong and the market for its products has improved.

The period of unsettlement in the heavy industry field embraces almost all of the 12 months of Hercules Galion's fiscal year 1958. Since the first of October the demand for its products has increased and the first fiscal quarter should show a considerable improvement over the previous year.

I find attraction in Hercules Galion stock because of the evident opportunity for improvement in earnings. Furthermore, the stock strikes a popular note. The price $5, the dividend 5 cents quarterly since 1953. The stock is listed on the American Stock Exchange.

ALAN C. POOLE
Research Analyst
Hemphill, Noyes & Co., N. Y. City

Ranco Incorporated

Growth with a 5% yield is a rare commodity these days and yet one may find this combination in the common stock of "Ranco" Incorporated listed on the New York Stock Exchange, selling around 24, and paying a $1.20 dividend to yield 5%. Possible reason why this stock sells so low is that it may not be fully seasoned as it has only been in public hands since 1955. Yet all the ingredients of an interesting growth situation exist. Taking statistics dating back to 1948 we find an unbroken earnings and dividend record. More interesting is the fact that in the ten year period 1948-57 sales increased 210% and net income after taxes increased 251%. Peak sales in 1957 were slightly under the $30 million mark so there is still plenty of room for growth.


Alan C. Poole

"Ranco" felt the effects of the recent recession. For the fiscal year ended Sept. 30, 1958, sales dropped 12½% and net income after taxes 36%. Nevertheless the $1.74 per share earned amply covered the $1.20 annual dividend and this now appears to be in no jeopardy as there is every evidence of improved operations. In fact, judging from the company's record of approximately a 50% payout of earnings, a dividend increase could be only a couple of years away.

Finances are sound, with cash and equivalent in excess of current liabilities and current assets twice current liabilities and long-term outstanding.

What is likely to make "Ranco" grow in the future is what made it grow in the past—a participation in the expanding field of temperature controls. Much of "Ranco's" business depends on the automotive and air conditioning industries and these should fare well in 1959. Furthermore the company is conducting an active research program for new products. Temperature controls are certainly likely to have wider uses in the future. Diversification through the acquisition of Wilcolator Co., a manufacturer of gas and electric oven controls, will broaden "Ranco's" operations and could add $5,000,000 to their annual sales. If this new acquisition returns as great a percentage net income on sales as present operations, per share earnings for "Ranco" would be increased even after allowing for deletion of the common stock outstanding needed to make the acquisition.

Finally "Ranco's" international operations could play an important part in the company's earnings and growth. The refrigeration industry is growing rapidly in Europe. "Ranco" has subsidiaries in Scotland and Italy. Its associate, Australian Controls Ltd. (40% owned) is also showing remarkable progress.

In 1959 "Ranco's" earnings should exceed the $2 per share level. A stock selling at less than 12 times potential earnings with a 5% yield offers an unusually good value for an equity of a company with truly great growth potential. The common stock of "Ranco" looks like one of the best opportunities for capital appreciation in 1959.

This Week's Forum Participants and Their Selections

Hercules Galion Products, Inc. — Hubert F. Atwater, of Wood, Walker & Co., New York City. (Page 2)

Ranco Incorporated — Alan C. Poole, Research Analyst, Hemphill, Noyes & Co., New York City. (Page 2)

COMING EVENTS
In Investment Field

Feb. 17, 1959 (New York City)
Association of Customers' Brokers 20th anniversary dinner meeting at the Hotel Delmonico.

Feb. 19, 1959 (Chicago, Ill.)
Bond Club of Chicago 48th annual meeting and dinner at the University Club.

Feb. 24, 1959 (Detroit, Mich.)
Bond Club of Detroit 43rd annual dinner at the Detroit Boat Club.

Feb. 26, 1959 (Philadelphia, Pa.)
Investment Traders Association of Philadelphia-Security Traders Association of New York annual Bowling Match.

Feb. 27, 1959 (Philadelphia, Pa.)
Investment Traders Association of Philadelphia 35th annual midwinter dinner in the Grand Ballroom of the Bellevue-Stratford Hotel, preceded by a member-guest luncheon at 12 o'clock).

Mar. 22-27, 1959 (Philadelphia, Pa.)
Seventh annual session Institute of Investment Banking.

April 1-3, 1959 (San Antonio, Tex.)
Texas Group of Investment Bankers Association of America annual meeting at the Hilton Hotel.

April 3, 1959 (New York City)
New York Security Dealers Association 33rd annual dinner at the Waldorf-Astoria.

Apr. 10, 1959 (Toronto, Canada)
Toronto Bond Traders Association annual dinner at the King Edward Hotel.

April 29-30-May 1, 1959 (St. Louis, Mo.)
St. Louis Municipal Dealers Group annual spring party at the Sunset Country Club.

June 18, 1959 (Minneapolis-St. Paul, Minn.)
Twin Cities Bond Club 38th annual picnic and outing at White Bear Yacht Club, White Bear Lake, Minn. (preceded by a cocktail party June 17 at the Nicollet Hotel, Minneapolis).

Nov. 2-5, 1959 (Boca Raton, Fla.)
National Security Traders Association Annual Convention at the Boca Raton Club.

Common Stocks and Inflation

By MARTIN E. ROONEY
Assistant Professor of Finance, North Texas State College; Registered Investment Adviser

Professor Rooney maintains inflation fears, rather than profits or amount of investible funds, constitute most important factor motivating present common stock buying at "heretofore outlandish" prices. Points out some factors undermining functioning of common stocks as permanent good anti-inflation hedge. Rejects widespread assumption of an indefinitely continuing moderate inflation. Foresees following long-term course of events, if government fails to take definitive corrective measures: (1) in 1959-1965 excess productive capacity and competition checking inflation, but with excess demand building up; (2) from 1965-1975, inflation becoming rampant, with "explosive" government deficits, skyrocketing of prices, and public's fear of property confiscation; and (3) finally 1975-1985, repudiation of government debt and obligations, with oncoming of totalitarian regime, and crushing of labor unions.

Between June and the end of December, 1958, all stocks listed on the New York Stock Exchange rose in market value from $225 billion to an estimated $269 billion, an increase of $44 billion, an amount equal to two and three - quarters times the estimated total corporate profits for 1958.

Martin E. Rooney

What caused this truly enormous increase?

Several reasons have been given. Corporate profits were excellent for 1955 and 1956, averaging $23 billion. In 1957 they declined to $21.8 billion. During the last quarter of 1957 and the first quarter of 1958 profits were falling sharply (about one-third) under the levels of a year earlier. In the late spring of 1958 a business recovery set in, and profits are believed to have improved sufficiently to bring the 1958 figure to $16 billion—and maybe more. For 1959 and especially the early 1960s a great boom should set in and profits ought to reach record levels. This reason we call the "profits argument." This writer does not consider this reason to have been the primary fuel behind the rise in prices.

Another cause is frequently given. Both the public and institutions have a greater amount to invest; and what is possibly of more significance, each is showing a marked disposition to invest a higher percentage in common stocks and less in bonds and mortgages. Little weight will be given to this explanation, for the writer believes it has only minor significance except as it demonstrates a tangible result of the last reason, now to be given.

The Most Important Factor

Fears of inflation are so great that investors feel driven to seek protection by buying common stocks at prices that heretofore would have seemed outlandish. This reason, regarded as most important, is referred to as the "flight from the dollar." What else could explain present public willingness to value stocks on the New York Stock Exchange at roughly $269 billion as against $69 billion 10 years ago? Profits for both years will probably be about the same, and profit recovery for 1959 is not likely to exceed (or even equal) the 40% increase in profits of 1950 over 1949.

Let us now examine the position taken by those who believe inflation will not be checked and that common stocks are going to sell for even much higher prices.

The Case for Buying Stocks As a Hedge Against More Inflation

The case for more inflation is so powerful as to be almost completely irrefutable. Since 1824 the dollar has lost 80% of its purchasing power and, since the beginning of the New Deal, 55%. Nearly all the Western World is suffering from inflation; and in Brazil, Argentina and Chile inflation is apparently out of control.

At home, voters seem to be crying for more and more handouts and to be taking an indifferent attitude concerning the consequences. Per capita national debt which stood at $156 in 1932 is 10 times that amount today. In addition, the total of consumer, housing, corporate, municipal and state debt probably exceeds $500 billion.

Necessary defense expenditures constitute a growing financial burden and many say there is no way to cut back on vast sums spent on farm and veteran assistance. Old age benefits have become a political football; and what may be worse, our foreign aid program apparently requires a never-ending stream of billions. People have begun to feel that even if we did sacrifice at home and save a billion or two, the government would simply turn around and pour the savings into some foreign aid program. So why attempt to economize?

A government policy of cheating savers through inflation in order to maintain easy money has all but destroyed a public market for bonds, at a time when the national debt proves difficult to manage and billions upon billions are financed in short-term maturities because the government just won't or can't pay the price

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Observations . . .

By A. WILFRED MAY

BULL MARKET GADGETS

"Hidden Earnings"—Again

The currently increasing practice of misusing the concept of corporate *"cash flow"*—that is, a company's net profits *plus* the amounts charged for depreciation, depletion, or amortization of capital assets—should be realistically appraised. Not as a mere technical accounting concept, but as a matter of common sense, does provision for the replacement of wearing-out capital assets constitute an inescapable cost of production. The proclivity instead to transfer such charges to earnings, and include them as a basis in price-earnings ratio calculations, is just another means of rationalizing the presently existing low earnings yields (under 5%) and dividend yields (averaging 3½%) highlighting the current inflated market levels. Ferreting out these items as a tappable source of additional earnings is our present bull market's counterpart of the gay 1920's foible of defending the fantastically high price earnings multipliers of that speculative era by allegations about mysterious "hidden earnings" (when, actually, they were overstated more often than understated).

A. Wilfred May

The "cash flow-ists" contend that the provisions for depreciation reserves have become large and since the line of demarcation between such growing reserves and real earnings is inexact, the charges for depreciation of capital assets and the earnings may as well be lumped together in a single profit figure. But this argument (1) contradicts the widespread conviction that depreciation charges permitted by the Revenue Department are generally inadequate, particularly if we are in a secular trend of higher replacement costs, and (2) in assuming that depreciation reserves are over-adequate, is directly inconsistent with the inflation-expectation which is so strongly stressed by the same bullish individuals in justifying the elevated level of stock prices. Under progressive inflation, current provisions for replacement costs would be insufficient, not excessive — thus emphatically leaving nothing in the form of unstated income.

Perhaps the most curious feature of the cash-flow doctrine is the frequency with which it is found in close association with the emphasis on growth, which customarily involves a greater outflow of capital than the inflow from depreciation.

Cash flow is of course worthy of scrutiny and recognition—particularly in cases of extraordinarily large depreciation charges, as in the oil industry and depreciation acceleration under now-ending certificates of necessity; in affording flexibility for corporate borrowing over the short term; and as an indicator of the trend of the company's financial strength. It is likewise true that the cash flow can be regarded as a short-term backing for dividends. Corporations in 1958 paid out only 31% of cash earnings. (As estimated by Standard & Poor's.)

But it should be realized that, barring company liquidation, the depreciation reserve must be used for replacements sooner or later, and hence should not be previously side tracked in any manner. To enlarge the true earnings figure by such a device constitutes another speculation-serving bull market gadget.

As a matter of fact, even in terms of cash flow are stocks now high related to the equivalently calculated price-earnings ratios during previous bull markets. As thus estimated for the current 1959 period, today's market valuation of the Dow Jones Industrial Average is higher than any other peak market period, excepting only 1929, since the 20's.

* * *

More Splitomania Items

Pre-Split Fever:—

In the case of two recently "split" open-end mutual funds, sales of the funds' shares increased materially between the time of announcement and the effective date. The shares of funds, as in the case of the general run of companies, understandably offer attraction to the public when divided into units of reduced size. But since the value of the fund's shares are mechanically and exactly tied to the clearly stated value of the underlying assets at all times, investor attempt to anticipate extra gain by reason of a *coming* split, seems quite illogical. However, reflecting the prevalent undiscriminating speculative interest in the split, the usual rate of one fund's share sales and stockholder increase actually quadrupled in the interval preceding its splitting time.

"Candidate" Behavior:—

"Once burned, no longer shy, the Lukens Steel Company was ready with a quick comment yesterday, one day after its stock had soared more than $9 a share in one trading session on the New York Stock Exchange. Stewart Huston, Vice-President and Secretary, said, "Lukens Steel Company is contemplating no stock split nor is Lukens contemplating any consolidation or merger with any other company! Both a stock split and a merger had been rumored in Wall Street recently. . . . Yesterday, Lukens shares dropped sharply after Mr. Huston's statement, to close at 80¾, down 4¾ for the day but still well above Monday's close of 76½."—From the *New York Times, Feb. 5, 1959.*

Perhaps the most plausible argument in defense of splitting lies in the assumption that a pre-split high price causes inability or unwillingness to pay the market price on the part of would-be purchasers. But this is belied in practice by the high price earnings ratios, absolutely and relatively, pertaining to the "split candidates." In fact, these higher priced issues have often actually been selling at 30 to 50 times earnings—as a result of pyramiding attending split expectations as well as quality.

CCNY Evening Courses In Inv. Principles

Two 12-week evening courses in the principles of investment for families with moderate incomes will be offered this Spring by the Extension Division of the City College School of General Studies.

The courses, including elementary and advanced classes, are entitled "Investment Guide for Moderate Incomes." Lectures and discussions will deal with the benefits and dangers of investing in stock, commodity, real estate and insurance markets. Investment portfolios will be outlined, analyzed and organized.

The elementary course begins Wednesday, March 4. The advanced class starts Tuesday, March 3. Registration is now open in branches of the New York Public Library in the Bronx, Manhattan and Staten Island. Course descriptions and instructions for enrolling by mail can be obtained by writing or calling the Extension Division, City College School of General Studies, New York 31, WAdsworth 6-5409.

G. A. Saxton Wire to Crowell, Weedon Co.

G. A. Saxton & Co., Inc., 52 Wall Street, New York City, announce the installation of a direct wire to Crowell, Weedon & Co., Los Angeles, Calif., members of the Pacific Coast Stock Exchange.

Annett & Company In New Quarters

TORONTO, Canada—Annett & Company Limited and Annett & Co., announce the removal of their offices to 220 Bay Street. Their new telephone number is Empire 3-7361.

Three Join Nikko-Kasai

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Goro Endo, Sam Sato and Kiyoshi Tanaka have joined the staff of Nikko-Kasai Securities Company, 2165 California Street.

With Albert Maguire

(Special to THE FINANCIAL CHRONICLE)

SANTA MARIA, Calif. — Emil Such has become affiliated with Albert L. Maguire, 301 South Lincoln Street.

The State of Trade and Industry

Steel Production
Electric Output
Carloadings
Retail Trade
Commodity Price Index
Food Price Index
Auto Production
Business Failures

A striking feature of the current phase of the recovery is the virtually unanimous feeling among businessmen and economists that 1959 will be a prosperous year, says the Federal Reserve Bank of Chicago in its monthly review, "Business Conditions."

The current "bullish" outlook for 1959 is so widespread, says the Bank, that dissidents are pointing to this very exuberance as a danger which could lead to a "flash flood" of boom and bust.

Whether or not the current optimism will endanger the recovery can only be answered in retrospect, but it is obvious that an exhilarating business atmosphere can produce overconfidence, with unfortunate consequences.

However, the extremes of optimism are usually most dangerous after a recovery has been under way for some time, and this upturn has been in progress only 10 months. At this stage of a recovery, expectations of improvement may help to produce the desired result.

In the present heady atmosphere of rising sales and general confidence, spending commitments of many kinds are more likely to be made. Plans for modernization or expansion are more likely to receive consideration. Apprehension over the risk of carrying a larger inventory is likely to give way to a greater concern over possible lost profits if stocks prove inadequate. Prospects of higher incomes spur consumer spending, and state and local governments are freer to tackle new projects as funds seem more readily available and needs become more apparent.

Of course, notes the Bank, there are exceptions to the optimistic views of the majority. They are found in industries, firms and communities which have not responded proportionately to the general business improvement. But recent reports from most business sectors back up the popular outlook of confidence.

In November, the book value of total business inventories rose for the first time in more than a year, and this build-up is expected to continue for some time to come.

Retail sales in December rose 4% above record levels of a year ago, and the Midwest participated fully in this late revival. The strong showing, says the Bank, virtually washed away the "first quarter blues" noted in some recent years when lagging business activity tempered enthusiasm for the spring and summer months.

New car sales rose sharply at the end of 1958, and deliveries through the first 20 days of January indicate that the month will show a substantial improvement over a year ago. This recent pickup in sales together with prospects for higher personal income have caused the industry to raise its sights on prospective output for 1959. Projections for the first quarter call for about a third more assemblies than in the same 1957 period.

Unemployment remains a nagging problem. The rise in employment was slowed in late 1958, but this was due in part to strikes and severe weather. And, the Bank adds, a further substantial rise in general activity can hardly fail to boost employment and reduce unemployment.

Unemployment Figures Rise 600,000 to 4,724,000

Yesterday the Commerce & Labor Departments reported an increase in unemployment figures to 4,724,000 persons in January, a seasonal rise of 600,000 or only half as great as the January 1958 figures when the recession was spreading. This January's jobless record was the highest for that month since the end of World War II. President Eisenhower at his news conference on Feb. 10 asserted that "I don't for one minute accept that as a satisfactory level of unemployment," and added "I believe thoroughly that we are going to have a pick-up as the year goes on."

Bank Clearings 8.5% Above Year Ago

Bank clearings in the week ended Feb. 7 will show an increase compared with a year ago. Preliminary figures compiled by the "Chronicle," based upon telegraphic advices from the chief cities of the country, indicate that for the week, clearings for all cities of the United States for which it is possible to obtain weekly clearings will be 8.5% above those of the corresponding week

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Petroleum in General and Sinclair in Particular

By DR. IRA U. COBLEIGH
Enterprise Economist

Containing some notes on the improving conditions in the oil industry, and some reasons why Sinclair may merit special attention at this time.

While 1958 is being entered in the record books as a recession year, it wasn't too tough on the oil companies. Total demand for petroleum products declined only 1% below 1957. But there was a substantial squeeze in profitability due mainly to heavy over-capacity in all departments built up as a consequence of the Suez crisis. This over-capacity was reflected in more competitive selling, resulting in lowered prices for most refined products; and lead to sharp reduction in domestic allowable production in Texas and Oklahoma, and programs for quantity limitations on imported crudes. And net earnings of the oil industry were 24% below 1957. Throughout this adjustment, domestic crude prices, which had been increased 30c a barrel early in 1957, were pretty well maintained, however.

Ira U. Cobleigh

All of which is now history; but what about this year? First the weather. This has been an exceedingly cold winter and unusually heavy demands for heating oils in January and February have sharply reduced inventories, and firmed price structures. Refinery runs now enlarging the supply of heating oils automatically add to the supply of gasoline. What then about the consumption of gasoline in 1959? Passenger cars use roughly two-thirds of our gas; and commercial vehicles most of the rest, with pleasure power boats a rapidly rising market. Passenger car requirements are expected to improve this year. First, 1,500,000 more cars are expected to be delivered than in 1958; and all cars, the new as well as the old, should be driven more as our per capita income reaches an all-time high, leisure time increases, and a net work of recently constructed super-highways lures millions of trip-takers. (A minor debit in this projection is the lowered gas consumption of the smaller domestic and imported models.)

Finally, the somewhat cyclical demand for heavy oils used in electric power generating plants, steel, cement and other heavy industry mills, should be strong this year animated by the high level of general business activity in prospect.

So we may conclude that 1959 will be a substantially better oil year, with total demand rising in the order of 4% over 1958; a less burdensome inventory situation; firmer and, in many instances, rising product prices; better profit margins with total net earnings for the industry rising by perhaps 15% to 20% over the 1957 totals. Such a conjecture, while not reeking with optimism, does suggest some consideration of leading integrated oil company equities, and causes us to select one such, to wit, **Sinclair Oil Corporation** common, as possessing considerable investment merit at current market levels.

Sinclair is an exceedingly well integrated company. It has seven refineries in the United States, with a combined capacity of 453,000 barrels daily; 1,600 bulk distributing stations and a retail distribution chain of 32,000 service stations of which 14,000 are either owned outright or leased, and the balance operated by independent dealers. Sinclair benefits from low transportation costs starting with pipelines delivering crude to the refineries, and a substantial net work of pipelines carrying the refined products to centers of distribution. All this, plus an extensive tanker fleet. Since 1949 some $640 million have been spent on these transport elements, financed for the most part, out of retained earnings.

Sinclair has built up its business from the refining end, and ranks presently eighth among domestic oil companies in total refinery capacity. Because it has been a refiner on balance, Sinclair has been striving for some years to bolster its own crude oil production both at home and abroad. Its production during 1957 equalled but 34% of domestic refinery runs. A much higher production ratio has been sought; and the most important gain along that line has been achieved by Venezuelan Petroleum Co. (96% owned) which has averaged over 53,000 barrels a day in production in 1958, against 25,000 daily barrels in 1957. Between import restrictions on Venezuelan oil, and reductions of domestic allowables, however, not too much progress was possible in bolstering crude sufficiency position in 1958. This year should be better, both because of continued use in Venezuela (Barinas Tract) production, and a long-term contract recently concluded with British Petroleum for delivery of low-price Middle Eastern crude. The agreement with British Pete also includes formation of two new companies, jointly owned with British Pete. The first is a marketing company for foreign-produced crude; and the second primarily a South American exploration enterprise.

In addition to about 650,000 net producing acres in Canada and the United States, Sinclair held about 9.6 million non-producing acres. Further, Sinclair owns 30.5% of Richfield Oil Co., with rising production and interesting discoveries in Kern County, Calif., and on the Kenai Peninsula in Alaska. (Sinclair stockholdings of Richfield have a present market value of around $120 million.) Sinclair also owns 29% of the outstanding shares of Texas Pacific Coal & Oil Co. and sought merger of this company by offering 1,776,498 shares of Sinclair for the 2,753,573 remaining shares of Texas Pacific Coal & Oil (a 1 for 1.55 ratio). This offer of share exchange was not voted on by Texas stockholders, and expired Jan. 28, 1959.

For the first nine months of 1958 per share net of Sinclair was $2.31 against $4.11 for the same period in 1957. For the full year 1958 earnings of about $3.70 a share seem probable—quite a bit below the $5.18 earned in 1957, but still coverage for the present $3 dividend. Since 1949, the cash dividend has risen, with four separate increases, from $2 to $3; and dividends have been continuously paid since 1933.

Capitalization consists of $370 million in long-term debt, the most attractive issue being $167,194,500 of 4⅜s due 1986, convertible into common at $65 per share through Dec. 1. 1961 and at a higher price thereafter. This issue at 115 yields 3.8% currently, and with the common at 67 will follow the stock with considerable fidelity. As a matter of fact many stock buyers today seem to prefer entry into an attractive equity via the convertible bond, providing they do not have to pay too dearly for their dual or straddle position. For such persons, Sinclair 4⅜s represent an interesting vehicle. The lowest price in 1958 was 106¼, and the bond could sell at 155 if the common sold at 100. And, of course, the convertible has a collateral value highly respected by lending agencies.

The 15,315,730 common shares of Sinclair are listed on the New York Stock Exchange and trade under the symbol "L." 1958 price range was between 46⅞ and 65⅞. Basis for considering "L" at today's prices is that the company is emerging from its poorest earning year in a decade (1958). It is in strong cash position, and with a revolving bank credit of $150 million requires apparently no further financing for some time to come. Cash flow for 1958 should be around $10 a share, and considerable higher this year.

Except as noted in respect to crude supply, the company is well balanced with retail outlets in 42 states. The new arrangement with British Petroleum places Sinclair in touch with a fabulous store of low cost Middle Eastern crude on which fat refining profits may be gleaned if and when import restrictions on foreign crude may become less onerous. Natural gas reserves were estimated 2½ years ago at over 2½ million MCF; and they are no doubt much larger today.

Sinclair entered the elite group of companies which gross over $1 billion dollars a year, in 1954. It is an impressive and well managed organization and the common stock has grown in stature and attained a quality rating within the past decade. Assuming substantially more favorable operating results this year, Sinclair could comfortably earn between $4.25 and $4.60. This might not result in a dividend increase in the next 12 months, but would pave the way for one in 1960; and Sinclair is getting into a price range where stock splits are high fashion. Projecting a 1959 net of $4.50 per share, "L" sells today at 15 times earnings. This is not an extravagant ratio for a stock of this quality and with such a favorable long-term potential. Whether by the tankfull, or in 100 share lots, Sinclair is a desirable possession.

Three With Suburban Secs.

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio—Frank Gurkles, Eugene J. Kozell and Lawrence E. Batchlar are now with Suburban Securities Co., 732 East 200th Street.

Two With Commonwealth

(Special to THE FINANCIAL CHRONICLE)

COLUMBUS, Ohio—Thomas O. Conger and Karl M. Grau are now with Commonwealth Securities Corporation, 30 East Town St.

Lorenz Chairman of NASD District No. 9

COLUMBUS, Ohio — August Lorenz, President, Lorenz & Company, Inc., Columbus, Ohio, has been elected Chairman of District Committee No. 9 of the National Association of Securities Dealers. He succeeds Walter J. Carey, Treasurer, Cunningham, Gunn & Carey, Inc., Cleveland.

August Lorenz

District No. 9 comprises the States of Ohio and Kentucky. The Association recently reclassified its districts. Until the change, Ohio and a part of Kentucky were District No. 10.

Mr. Lorenz has been associated with the securities business for 47 years. He started with the bond department of The Ohio National Bank of Columbus and was elected a Vice-President in 1922 at the age of 28. In 1926 he became a general partner of Stevenson, Vercoe, Fuller & Lorenz, and in 1942 formed his own firm.

Joseph J. Van Heyde, with the NASD office in Columbus, is Secretary of District Committee No. 10.

I. L. Brooks & Co. Expands Organization

SAN FRANCISCO, Calif. — The Pacific Coast Stock Exchange firm of I. L. Brooks Securities Co., formerly a partnership, has incorporated as I. L. Brooks & Co., Incorporated and has moved to larger quarters at 333 Pine Street, San Francisco. The firm is seeking representation throughout Northern California for its Municipal Bond and Mutual Fund divisions.

President I. L. Brooks also announced that Joseph C. Eldridge has joined the firm as Vice-President and Treasurer. Mr. Eldridge has been active in the securities business for several years and is an instructor in investments at Golden Gate College.

Joins L. A. Caunter

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio — William R. Cohen has joined the staff of L. A. Caunter & Co., Park Bldg.

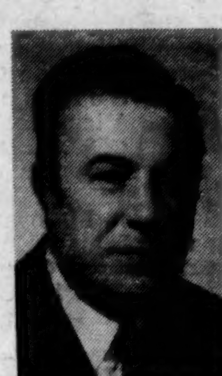
The Outlook for Business And the "Fabulous Sixties"

By WAYNE L. McMILLEN*

Associate Economist, Guaranty Trust Company of New York

Bank economist envisions a peak year for 1959, with GNP possibly exceeding $70 billion, and a half trillion economy in 1960. In outlining what will be necessary to improve our efforts toward stable growth, Mr. McMillen recommends better capital plant, equipment and inventory business planning; notes that Government, too, has been guilty of erratic purchases; praises stabilizing influence of consumer spending but observes, however, that sizable shift from durable goods to services and non-durable goods has aggravated economic maladjustments; and deplores our lack of will power in coming to grips with inflation. He discusses how we can build a solid bridge to the "Fabulous Sixties," and issues the reminder that it will not be utopia but hopes we will achieve "frequent oscillations" rather than "periodic recessions."

This year the economic forecasts are almost unanimous as to the direction of the overall economy. There are the usual shades of opinion as to the magnitude of the movement. For the first time in several years we hear no voices predicting imminent calamity although a few are concerned about the stock market.



Wayne L. McMillen

I shall endeavor not to dispense with a tedious repetition of many figures and other "boiler plate" about the outlook. Perhaps we can do three things: (a) review some of the economic phenomena of the postwar period; (b) in view of relative agreement of forecasts devote somewhat less time to 1959, and (c) venture into 1960 and beyond, outlining what will be necessary to improve our efforts toward stable growth.

The Three Postwar Recessions

All three of the postwar recessions have been mild ones, even though some individual industries were hard hit. Because they were all mild, and because government and consumer action seemed so right on each occasion, many have come to believe we have mastered the art of managing the business cycles. The same thing could happen to us that usually happens to those who think they have really mastered any art.

Since the war, the country has been in a dynamic period of growth due to recovery from the great depression and the war. This was accompanied by large population increases. In such a situation a recession may resemble an interruption of growth more than a major setback in the economy. They were less serious than they might have been and we seemed to handle them properly.

The "automatic stabilizers" were powerful aids and in recent years the monetary policy of the Federal Reserve Board has been particularly astute. In the two earlier recessions timely tax reductions were major factors in recovery, yet in 1958 in a different situation, the Administration properly resisted tax reduction and was sustained by statesman-like support of the opposition party leaders.

Yet we must not forget that in both the 1949 and 1954 recessions the tax reductions came more as political accidents than as deliberate economic measures. In 1948 a Republican Congress approaching election day, but unaware of approaching recession, enacted a tax reduction over the strenuous objections of a democratic president. In fact, he had asked for a tax increase. Both sides were surprised to find the tax measure so beautifully timed.

Much of the tax reduction in 1954 was due to the ending of the Korean War, the expiration of the excess profits tax, and reduction in some other wartime taxes. However, some of the other reductions were meant as a first step toward a still needed tax reform.

This is not to belittle our great progress in managing our economic affairs, but is only to point out that a significant part of our success has been due to good luck.

The 1949 recession was brought about principally by a decline in business purchases through liquidation of inventories, and the 1954 recession by a drastic reduction in Federal Government expenditures. The 1958 decline was brought about by a decline in business purchases of both inventory and capital products. In large part it was a durable goods and mining recession. Nondurable inventories in the aggregate were not far out of line. Retail inventories, except for a very few products were in relatively good shape when the recession began.

However, in each case consumer purchases held firm. In none of the postwar recessions did consumer spending, even at the lowest point, decline more than 1%. Of course there were shifts from durable goods to nondurables and services and this caused hardships for several industries.

In the recent recession unemployment was considerable but social security payments maintained personal income which accounted for the high level of consumer spending.

The inference by this discussion is that the next big step in the promotion of stability could come about by businessmen doing a more careful job of inventory control and more careful planning of capital expenditures. Many can make a contribution toward this objective, not only for their own companies but in a small way for the general welfare.

Different Industrial Cyclical Peaks

The most recent cycle had an interesting aspect. In the boom that preceded the decline one should not be surprised that different major industries would reach their peaks at different times. But this time one major industry after another was reaching its peak over a longer period of three years. The first industry reached its peak in December, 1954 just after recovery from the previous recession had started. The last peak came in December, 1957 long after the general decline had started. In previous recessions the peaks were spread over 12 to 16 month periods compared to the 36 months this time.

Almost all major industries reached their lows in two months — March and April 1958. It is more usual for such lows to stretch out over a period of from 8 to 12 months. This probably accounted for the relatively greater depth of this recession as well as the quick turn toward recovery rather than the more usual tendency to drag on bottom for awhile.

There has been a growing tendency for inflation to carry right through a recession which is usually considered as a deflationary period. At the trough in 1949 consumer prices had declined 2%. At the trough in 1954 they had actually **increased** 0.7% from the start of the recession. In the 1958 trough there had been an increase of 2.3%.

Recent increases in productivity have caused an interruption to the persistent price increases.

Inflation

Our failure to come to grips with the inflation threat is due not so much to a lack of knowledge as to a lack of willpower. Like sin, we are all against inflation—**as far as the other fellow is concerned.** It is not an immediate threat for the months ahead. The longer term threat, however, will diminish when and only when we destroy the pleasant delusion that in the long run we as a nation can take more from the economy than we put into it. It's almost that simple. We often hear that "mild" inflation is not so bad and may be helpful in aiding growth. Even "mild" inflation is immoral, it leads to inefficiency, and it is dangerous. It is **immoral** because it robs from big segments of our population for the selfish benefit of others. It leads to **inefficiency** when we easily cover cost increases with increases in prices. This also leads to weak resistance to unjustified wage increases. It is **dangerous** because when it is persistent and most people believe it will continue, then at some point in the process they begin to act on that belief. All begin to buy at once thus bidding up prices till "mild" inflation becomes galloping inflation with disastrous results.

We should not let the current relative stability of prices obscure the fact that this remains the biggest single domestic threat to long-term economic growth. We have three choices:

(1) (a) Continue with wage increases which outstrip increases in productivity.
(b) Validate these wages with corresponding increases in the money supply. This is conducive to full employment until grave maladjustments occur such as pricing ourselves out of the international market, the markets of fixed salary groups, pensioners, etc. If this policy continues indefinitely then comes the crash and mass unemployment.

(2) (a) Continue such unjustified wage increases but
(b) limit the supply of money so that businessmen can no longer raise prices and pass the wage increase on to the consumer. Losses imposed in this manner would also cause substantial unemployment.

(3) (a) Confine wage increases within the limits of average increases in productivity and
(b) Expand the money supply just sufficiently to permit reasonable growth under relatively stable prices.

Obviously the last alternative is the only acceptable one, but it does not appear likely that it will be our choice within the very near future — at least until we've wavered a few more years between the first two alternatives.

In order for such a policy to be successful both businessmen and labor must concede that this policy is the most hopeful approach to reasonably full employment over the long-term. The first two alternatives can lead only to periods of super-full employment followed by periods of unemployment. Not only labor but all segments of the economy will benefit by a wiser choice of policy.

The Outlook for 1959

The recovery in 1958 started promptly enough and was of such magnitude that the average Gross National Product for the year is estimated at about the same level as that for the year 1957.

What can we expect for 1959?

Even with moderately bad luck, the general economic level should be the highest in our history. Each quarter should exceed the preceding one except possibly for the third one in which I am afraid that we'd better allow for a steel strike. But this strike should make for a vigorous fourth quarter. With a good automobile year, our Gross National Product should average $470 billion or more as compared with an estimated $439 billion in 1958.

The consumer, Federal, state and local governments, and business will all spend more. Plant and equipment expenditures should total $32 or $33 billion as against the $30 billion of 1958. The estimated $6 billion inventory liquidation of 1958 should turn to a $2 billion or more accumulation, thus providing an $8 billion stimulus to the economy.

Consumer credit may well expand $2 billion or more. Unemployment figures will be worrisome until late in the year. Near the end of the year Housing and Agriculture which were major factors in the recovery will cease to be the dynamic factors in the expansion which they have been recently.

Corporate profits may well be the highest in history. I think we'll get some surprises next Spring when we see the profits for the last quarter of 1958. Everyone expects improvement, but I believe that the leap in profits for those months will be dramatic, and such improvement will carry over into 1959.

1960 and Beyond

The economy should be in a healthy state as it enters 1960. Reasonably full employment, only slight increases in prices, and growing investment by business are the prospect. If businessmen make major mistakes it is more likely they will do so in 1960 than in 1959.

Will businessmen early in 1960 be alert to watch inventories to prevent the possible excesses for 1961? Will they attempt to expand their facilities too rapidly? Will they become complacent about costs and nullify the efficiencies they so laboriously instituted in 1958?

If they handle these 1960 problems wisely the period beyond 1960 can be stable and excellent. If not, 1961 or 1962 may see business again slashing its purchases and we'll have another typical postwar recession.

I know from personal experience that it is much more difficult to do careful planning than it is to talk about it. However, most of us can take advantage of experience and improve our performance if the proper objective is constantly before us.

It seems to me that early 1960 is the time when the critical business decisions will be made. These decisions will determine the economic climate in 1961 and/or 1962. Our postwar experience indicates that modern recessions are **caused** more through erratic purchases by business (capital equipment and inventory) and Government than by the consumer. True the consumer aggravates the situation by switching his purchases from durables to nondurables and services during a recession.

Thus businessmen have a heavy responsibility not only to their own businesses but also to the general welfare. Perhaps some study **now** can be helpful in making those 1960 decisions. For instance a consideration of events of 1956 can aid in improving forthcoming decisions.

Inventories

Permit me to illustrate the point with an example. In one of the durable goods industries new orders of the manufacturers during the last half of 1955 were exceedingly high due to the business recovery. During early 1956 it was widely expected that there might be a steel strike in July, and that steel prices would likely increase. It was common knowledge gained through exchange of information among businessmen early in 1956 that there was considerable hedging against that possibility. Even though the actual extent of hedging was unknown, it was known to be substantial. The reasonable conclusion would have been that if the boomlike rise in final sales were going to continue for an extended period, seasonally adjusted new orders for the first six months would have been increasing substantially—first because of impending sales increases and also because of the hedging in anticipation of the steel strike.

Actually new orders were **not** increasing and in view of the known facts this should have been the first signal for caution and careful inventory planning. Perhaps some people in the industry noted this caution signal, but in view of the prevailing psychology and not being completely convinced, they merely shrugged their shoulders. But, throughout the first half of 1956 seasonally adjusted inventories in the industry continued to climb, indicating a production rate considerably higher than sales. This might well have been a second signal for caution.

The steel strike did occur in July, 1956. Because extra orders had been placed in anticipation of the strike it would be reasonable to expect that new orders would decline in July. That did happen. But one should also have expected in the vigorous general pickup in the final quarter of 1956, **that new orders would have increased.** There was no such increase in the fourth quarter. Total new orders for the last half of 1956 were 5% less than during the first half. This should have been a third signal for caution.

Sales (seasonally adjusted) levelled of but production continued throughout the year at a level higher than sales. Naturally inventories continued to rise until at the end of 1956 they were 12% above those at the beginning of the year. This was the fourth signal for caution.

Sales held up through 1957, but they were still below output for the year. Production was cut in late Spring but was increased again in the fall through November so inventories climbed 3% more in 1957.

In November of 1957 it was finally concluded that there was an inventory problem, and in December production was slashed. From November, 1957, through April, 1958, production was cut by nearly 30%. While final retail sales of the industry decreased some in 1958 they held up remarkably well, so the drastic slash in output was almost entirely due to the inventory problem. This story multiplied by repetition in hundreds of companies is in large part the story of the 1958 recession.

Slightly different decisions in 1956 would have changed the complexion of the 1958 economic picture. Better inventory management might have prevented the recession. In this example, if production had been cut 3% in 1956 and held at that level (rather than the higher level) the drastic cut in 1958 would not have been

*An address by Mr. McMillen before the Investment Outlook Meeting, Minneapolis, Minn., Jan. 16, 1959.

necessary. Of course, hindsight is 20-20, but it does seem that there were at least four warning signals in 1956. A similar situation could develop in 1960.

Capital Expenditures

We shall not take the time to explore in detail the steps leading to a slash in capital spending. However, it seems to me that we have a similar situation. Here again most of the difficulty arose in durable manufacturing and mining. Capital planning, of course, is longer-term planning. Frequently we build a plant and equip it this year. We start production the second year. Startup time, including hiring, training, working the "bugs" out of the equipment, and bringing it into full production may consume most of the second year. Much of the capital investment in 1956 was in preparation for consumer or final sales in 1958 and beyond.

Recovery from the 1954 recession started in September of that year. The historical pattern of recovery is one of rapid increase in activity for the first few months — perhaps for a year or so. This is followed by a very gradual rise for a while. There is then a levelling off which might continue for some time until maladjustments occur in inventories or in other segments of the economy. Of course, things cannot always be this neat but if one has to project the future at anytime in making decisions, the most logical guess is that such a pattern may occur.

At the beginning of 1956 there had been an uninterrupted and rapid rise for 16 months. The best assumption at that time should have been that while a rise might continue it would be much more gradual. The gradual rise would be followed by a levelling off in the economy.

Yet in 1956 increase in capital spending was one of the greatest on record. Most plants to be built that year would not be producing until 1957, and many would not come into full production until 1958. One can hardly escape the conclusion that a great portion of the plant and equipment expenditures in 1956 were made on the assumption that a rapidly rising production would be required throughout 1957 and possibly 1958. Had that happened it would have been most unusual. Hence, the mammoth increase in 1956 seemed too big.

Of course, one must make proper allowance for the fact that much of the expenditure was for improvement in efficiency rather than increase in capacity.

While one cannot be too dogmatic it seems that with more modest capital spending in 1956, the situation would not have called for the drastic decline experienced in 1958.

Such postmortems are of little use except for knowledge gained which helps us in future decisions. In late 1959 and early 1960 we may be at about a similar stage of recovery as we were in 1956. With some caution in 1960 we may be able to make 1961 and 1962 look a lot better.

We can scarcely hope to eliminate business fluctuations. But with careful business planning we can work toward a goal of "frequent oscillations" rather than rugged cycles.

Plenty of Customers

The dominant and well advertised fact about the "'60s" is that we will have another explosion in population. The babies of the "'40s" will have babies of their own. They also will establish new homes. This does not guarantee prosperity but it will be a basic ingredient that with proper domestic and international conditions can lead to unprecedented growth in business volume.

With good management the years 1960-63 can stand as a solid bridge to what some have called the fabulous "'60s."

By 1980 the population may increase by 75 to 85 million people, the equivalent of five Canadas, or five New York States.

The number of those under 17 and those over 65 will increase almost twice as fast as those 22 to 64 from whom comes the labor force. This underlines the importance of the fight against inflation. For a shortage of labor is a powerful force toward inflation. But there will be periods in this span of years when the number of people between 24 and 35 years of age will increase more rapidly than the general population. Young people may find things difficult for a few years during the late "'60s." There will be alternating ease and tightening of inflationary pressures.

With 80 million people to eat up our surplus farm crops there should not be a "farm problem," and things should get much better for the farmer long before then. He should be doing well by the middle "'60s" by which time 20 million people will be added.

In Conclusion

(1) Erratic purchases of business and government have been the causes of modern recessions.

(2) The consumer has aggravated the maladjustments by shifting a significant amount of his purchases from durable goods to services and nondurable goods. But on the whole he has been the most stabilizing element.

(3) Even mild inflation is immoral, inefficient, and dangerous. We must concede that we can't take more from the economy than we put into it.

(4) The year 1959 will in most respects be the best in history—with employment worrisome during the early months and with inflation a threat to follow (in 1960). With Gross National Product possibly exceeding $470,000 billion in 1959 it may well hit a half trillion in 1960.

(5) Businessmen bear a heavy responsibility to the general welfare by better management of inventories and better planning of capital spending.

(6) One may conclude that the mistakes of businessmen in 1956 were important factors in bringing on the recession of 1958. The mistakes of 1960 may develop into the next recession.

(7) With better business planning in 1960 we may be able to build a solid bridge to the period 1963-1970, which some have called the "Fabulous Sixties." There will be an "explosion" of new customers for business.

(8) The so-called "Fabulous Sixties" should see improvement in the "farm problem," and we should see the end of it before 1980.

(9) By 1980 we shall have added the equivalent of Japan, or five Canadas, or five New York States to our population.

(10) It will not be utopia. There will be many discomforts and a few recessions. Let us work toward a situation where we can call them "Frequent Oscillations" rather than "Periodic Recessions."

With J. Clayton Flax

(Special to THE FINANCIAL CHRONICLE)

SPRINGFIELD, Mass. — Louis B. Meadows is now with J. Clayton Flax & Co., 1562 Main Street.

Dealer-Broker Investment Recommendations & Literature

It is understood that the firms mentioned will be pleased to send interested parties the following literature:

Atomic Letter No. 45—Commenting on effects of AEC grants to colleges and universities, on radiation instrument industry, and discusses **Salem Brosius, Inc.**—Atomic Development Securities Co., Inc., 1033 Thirtieth Street, N. W., Washington 7, D. C.

Breakdown of Government Bond Portfolios of 13 New York City Banks—Bulletin—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Burnham View — Monthly Investment letter — Burnham and Company, 15 Broad Street, New York 5, N. Y. Also available is current **Foreign Letter.**

Canadian Mining Stocks—Booklet—Draper Dobie and Company Ltd., 25 Adelaide Street, West, Toronto, Canada.

Canadian Pre Budget Monetary and Fiscal Outlook—Review—E. M. Saunders Limited, Victory Building, Toronto 1, Ont., Canada.

Japan — Economic survey — Chemical Corn Exchange Bank, International Division, 165 Broadway, New York 15, N. Y.

Japanese Oil Industry—Discussion with particular reference to **Mitsubishi Oil Co.**, **Showa Oil Co.** and **Maruzen Oil Co.** Nomura Securities Co., Ltd., 61 Broadway, New York 6, N. Y.

Japanese Stocks—Current Information——Yamaichi Securities Company of New York, Inc., 111 Broadway, New York 7, New York.

New York City Bank Stocks—Year-end comparison and analysis of 13 New York City bank stocks—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Over-the-Counter Index—Folder showing an up-to-date comparison between the listed industrial stocks used in the Dow-Jones Averages and the 35 over-the-counter industrial stocks used in the National Quotation Bureau Averages, both as to yield and market performance over a 20-year period — National Quotation Bureau, Inc., 46 Front Street, New York 4, N. Y.

Real Estate Bond and Stock Averages—Comparative figures—Amott, Baker & Co., Incorporated, 150 Broadway, New York 38, N. Y.

Refractories — Review with particular reference to **General Refractories Company** and **A. P. Green Fire Brick Company** —The Milwaukee Company, 207 East Michigan Street, Milwaukee 2, Wis.

Rubber—Report—J. R. Williston & Beane, 115 Broadway, New York 6, N. Y.

Shoe Industry — Review with particular reference to **Brown Shoe Company** and **International Shoe Company**—H. Hentz & Co., 72 Wall Street, New York 5, N. Y. Also available are memoranda on **Beaunit Mills** and **Illinois Central Railroad,** and a report on **Singer Manufacturing Company.**

Technical Trends in the Market—Analysis—Sutro Bros. & Co., 625 Madison Avenue, New York 22, N. Y.

U. S. Banks and Trust Companies — Comparative figures — A. M. Kidder & Co., Inc., 1 Wall Street, New York 5, N. Y.

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ACF Industries, Inc.—Memorandum—T. L. Watson & Co., 25 Broad Street, New York 4, N. Y.

Air Express International Corp.—Brochure—Troster, Singer & Co., 74 Trinity Place, New York 6, N. Y.

American Broadcasting Paramount—Analysis—Cohen, Simonson & Co., 25 Broad Street, New York 4, N. Y.

American Title & Insurance Co. — Memorandum — Weil & Co., 734 Fifteenth Street, N. W., Washington 5, D. C.

Arden Farms Co.—Memorandum—Bateman, Eichler & Co., 453 South Spring Street, Los Angeles 13, Calif.

Armstrong Cork Co.—Data—Herbert E. Stern & Co., 52 Wall Street, New York 5, N. Y. Also in the same circular are data on **Union Oil of California.**

Bell & Gossett Company—Analysis—Blair & Co. Incorporated, 105 South La Salle Street, Chicago 3, Ill.

Beneficial Finance Co.—Analysis—Reynolds & Co., 120 Broadway, New York 5, N. Y. Also available is a survey of **Oil Stocks**, and a report on **Union Tank Car.**

Botany Mills, Inc.—Analysis—Woolrych, Currier & Carlsen, 210 West Seventh Street, Los Angeles 14, Calif.

Burroughs Corporation — Analysis — Edwards & Hanly, 100 North Franklin Street, Hempstead, N. Y.

Chicago Rock Island & Pacific—Memorandum—Hirsch & Co., 25 Broad Street, New York 5, N. Y.

Columbian Carbon Company — Analysis — Schweickart & Co., 29 Broadway, New York 6, N. Y.

Cook Electric Co.—Memorandum—Blunt Ellis & Simmons, 208 South La Salle Street, Chicago 4, Ill.

E. I. du Pont de Nemours & Company—Review—Shearson, Hammill & Co., 14 Wall Street, New York 5, N. Y. In the same bulletin are analyses of **Blaw-Knox** and **U. S. Rubber Company.** Also available is a report on **General Development Corporation.**

Gould National Batteries, Inc.—Survey—Abraham & Co., 120 Broadway, New York 5, N. Y. Also in the same circular is a survey of **Hussmann Refrigerator Company** and **U. S. Rubber.**

Houston Corp.—Memorandum—Woodcock, Hess, Moyer & Co., 123 South Broad Street, Philadelphia 9, Pa.

Ingersoll Rand—Data—Dreyfus and Co., 50 Broadway, New York 4, N. Y. Also in the same issue are data on **Gardner Denver** and **Chicago Pneumatic Tool.**

Interstate Securities Co.—Memorandum—A. C. Allyn & Co., 122 S. La Salle Street, Chicago 3, Ill.

Loew's Inc.—Analysis—Herzfeld & Stern, 30 Broad Street, New York 4, N. Y.

Midwestern Instruments—Review—Ira Haupt & Co., 111 Broadway, New York 6, N. Y. Also available is a report on **Cessna Aircraft Co.**

National Acme—Analysis—du Pont, Homsey & Company, 31 Milk Street, Boston 9, Mass. Also in the same circular are brief analyses of **Union Bag-Camp Paper** and **Seattle First National Bank.**

National Sugar Refining Company — Annual report — National Sugar Refining Company, 100 Wall Street, New York 5, New York.

A. G. Nielsen Co.—Analysis—Alfred L. Vanden Broeck & Co., 55 Liberty Street, New York 5, N. Y. Also in the same circular are analyses of **Miles Laboratories, Stone & Webster Co.,** and **Celotex Corporation.**

Pennsalt Chemical Corporation—Analysis—Mitchell, Hutchins & Co., 1 Wall Street, New York 5, N. Y.

Plough, Incorporated — Report — Hayden, Stone & Co., 25 Broad Street, New York 4, N. Y.

Radio Corporation of America — Analysis — Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Rayonier, Inc.—Data—Oppenheimer, Neu & Co., 120 Broadway, New York 5, N. Y. Also in the same bulletin are data on **American Machine & Foundry Co.**

Sealed Power Corporation—Analysis—A. G. Becker & Co., Incorporated, 60 Broadway, New York 4, N. Y.

Signal Oil & Gas Co.—Analysis—Dean Witter & Co., 45 Montgomery Street, San Francisco 6, Calif.

Skelly Oil—Bulletin—Bache & Co., 36 Wall Street, New York 5, N. Y.

West Canadian Oil & Gas Limited—Bulletin—De Witt Conklin Organization, 120 Broadway, New York 5, N. Y.

Coast Exch. Member

The election of Francis D. Frost, Jr., general partner of Hemphill, Noyes & Co., to membership in the Pacific Coast Stock Exchange through the purchase of a membership in the Los Angeles Division, has been announced by William H. Jones, Division Chairman.

Mr. Frost has been active in the securities business since 1919. He has been associated as general partner with various firms in Los Angeles and became a general partner of Hemphill, Noyes & Co., in charge of the Los Angeles office in 1952. The principal office of his firm is in New York City, with branch offices in numerous other states and holds memberships in the New York, American, Boston and Midwest Stock Exchanges and the Chicago Board of Trade.

Two With Irving Lundborg

(Special to THE FINANCIAL CHRONICLE)

REDWOOD CITY, Calif.—Donald W. Kirk and Charles A. Leonard are now with Irving Lundborg & Co., 710 Winslow St.

Now With Reynolds & Co.

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Grover G. Jones has become affiliated with Reynolds & Co., 425 Montgomery Street. He was previously with First California Company.

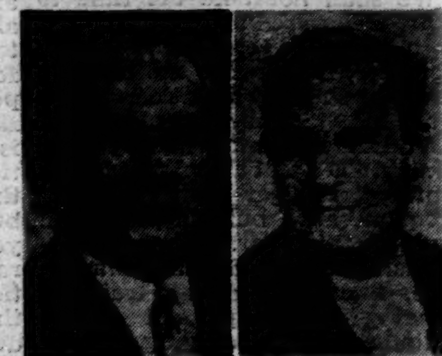
Sutro Co. Adds

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Everett L. Price has been added to the staff of Sutro & Co., 460 Montgomery Street, members of the New York and Pacific Coast Stock Exchanges.

NASD District No. 8 Elects Officers

CHICAGO, Ill.—James M. Howe, partner, Farwell, Chapman & Co., Chicago, was elected Chairman



James M. Howe   T. Gordon Kelly

of District Committee No. 8 of the National Association of Securities Dealers, the largest organization of securities brokers and dealers in the country. The district comprises of States of Illinois, Indiana, Iowa, Michigan, Minnesota and Wisconsin.

T. Gordon Kelly, Vice-President of Collett & Co. Inc. was named Vice-Chairman.

John F. Brady, with the NASD office in Chicago, is Secretary of District Committee No. 8.

Swaney, Vachon, V.-Ps. Of Keystone Company

BOSTON, Mass. — Two senior Regional Representatives, John Swaney of Boston and Louis A. Vachon of Los Angeles, have been elected Vice-Presidents by The Keystone Company of Boston, it was announced by S. L. Sholley, President of the 27-year-old investment company organization.

Mr. Swaney has been Keystone's representative in New England and New York State for the past eight years, following 14 years as an underwriter and distributor in the mutual fund field. Mr. Vachon has been with Keystone for 14 years, first in Boston and Philadelphia and then for the last seven as the company's representative on the Pacific Coast.

Edw. Amazeen V.-P. of William Street Sales

Edward S. Amazeen has been elected Vice-President of William Street Sales, Inc., it was announced by Dorsey Richardson, President of the company, national underwriter for The One William Street Fund, Inc., and Scudder Fund of Canada Ltd.

Mr. Amazeen will be active in sales and sales service administration in the company's main office in New York, 1 William Street. He will also be regional representative in its New England territory covering the six New England states and Upper New York State with offices at 79 Milk Street in Boston.

Mr. Amazeen has long been active in investment banking circles and was most recently Vice-President and manager of the investment trust department of Coffin and Burr, Incorporated, investment bankers. He is a member and former chairman of the Investment Companies Committee of the Investment Bankers Association of America and has held several important committee posts in both the National Association of Securities Dealers, Inc., and the National Association of Investment Companies.

Dean Witter Adds to Staff

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Robert A. Brown, Alton R. Cary, Jack G. Goss, William T. Howard, Donald E. McKee and Elmer F. Wirth have been added to the staff of Dean Witter & Co., 632 South Spring Street.

What Should Be Considered In Reading GNP Projections

By DR. ORVILLE J. HALL
College of Business Administration
University of Arkansas

Arkansas economist exposes some of the pitfalls and other hazards that should be considered in reading GNP projections. Dr. Hall also outlines three questions that should be answered in ascertaining extent of price inflation in the secular trend. The writer hopes that the insight provided in interpreting changes in GNP furnishes a basis for rational interpretation of the rise of output in the United States.

As recovery continues and business resumes a more "normal" rate of production, record highs are being projected for this country's Gross National Product. The importance of the level attained by the nation's total output of goods and services lies, particularly, in its interpretation in terms of its per capita relationship. For example, an increase in GNP with a still greater increase in population would result in less GNP per capita. Also, record highs of GNP may be explained in part by inflation — with more dollars being required to purchase the same goods and services.

Prof. Orville J. Hall

This article points out a method of evaluating *changes* in GNP, and does not seek to predict such changes.

The post-World War II trend in value of GNP per capita has been upward both in dollars in purchasing power of each successive year and in dollars of constant purchasing power. The GNP per capita in United States in 1955 was $2,370, the next year it was $2,466, and in 1957 it was $2,537. Since this discussion centers on a *method of analysis* (rather than in explanation of the value of data used) the dollar amount of GNP per capita used to illustrate this method is of less importance than if an attempt was being made to project the GNP for a particular year. For this reason, an arbitrary GNP per capita value of $2,500 is used.

An increase in GNP to a record high could result solely from an increase in population, even assuming an unchanged, or even a lower, GNP per capita, and thus population changes must be considered in any worthwhile analysis.

We may be either generous or conservative in forecasting population changes. The U. S. Bureau of the Census' most conservative forecast for 1960 predicts a population of 179.4 million, and its most liberal forecast is one of 181.2 million. Similar low and high estimates for 1970 are 202.5 and 219.5 million, respectively. The mid-points between these projections are 130.3 million for 1960 and 211.0 million for 1970, indicating an increase for the decade of 30.7 million or an average of 3.07 million increase per year. On the basis of these projections, a population of approximately 205 million is forecast for 1968. Our per capita GNP of $2,500 discussed above, applied to our projected population figure of 205 million forecasts a GNP in 1968 of $512.5 billion.

The most conservative population estimates of the Census for 1970—some 202.5 million of persons—by like analysis predicts a GNP of $506.25 billion for that year. The Bureau's most liberal estimate of 219.5 million for 1970 indicates a GNP of $548.75 billion of a basis of $2,500 per capita. Any decrease in the per capita estimate would, of course, reduce the projected GNP values. However, for use in this analysis, attainment of a GNP of $500 billion by 1968 will be assumed. It should be pointed out that this projection is based on dollars of 1958 purchasing power, and it does not reflect any deflationary or inflationary influences or changes in our standards of living.

Any projection with respect to changes in prices of goods and services is subject to many hazards, and one estimate may be even less accurate than another. However, we are attempting only to illustrate a method of reasoning, in interpreting the significance of GNP projections. If we were making statistical forecasts, we would have to seek additional data and undertake more comprehensive studies.

Secular Trend Questions

These analyses assume secular inflation as a basis for their projection. Parenthetically, the reader may profitably answer three questions as a general guide to whether we may expect secular inflation.

(1) Do you expect repeated deficits in the Federal Budget to be financed, in part at least, by sale of bonds to banks, thus creating new bank credit?

(2) Do you expect organized labor to continue to be successful in obtaining higher wage rates and/or fringe benefits and thus increase labor costs with increasing output?

(3) Have you expressed your disapproval of secular inflation by any communication to your Senator or Representatives, or others in policy-making positions?

Your answers to these questions and the answers of other thinking persons, may provide a basis for projecting the trend of inflation.

The past is not necessarily a dependable basis for projecting the future. However, for our purposes it may provide a background against which changes may be evaluated. The data on the rise in consumer goods prices (based on 1947-49=100) suggest an average rise of 2.3 to 2.4 points per year for the past decade. If the same rate of increase continues for the decade ending in 1968, the rounded projection of $500 billion GNP for 1968 must then be revised upward by 20 to 25%. A 20% increase in prices by 1968 would indicate a GNP of $600 billion by that time.

Our most difficult task is to project changes in living standards that will have been effected by 1968. The estimate of $600 billion GNP ten years hence assumes that these dollars will continue to be spent for the same goods and services that consumers have been buying in recent years. To the extent that improved quality of consumption goods would provide greater "wearability" for such items as clothing, or longer life of durable goods, the same number of dollars (of constant purchasing power) would enable consumers to buy more goods, thus contributing to a rise in the rate of consumption. Every consumer, of course, hopes that his purchasing power will increase and thus let him buy *more* goods and services. We do not know whether this will occur, but to the extent that such an increase in rate of consumption does take place, the $600 billion GNP projection must again be revised upward.

The GNP per capita in the United States *in 1947 dollars* was $1,880 in 1945, $1,953 in 1955, $1,974 in 1956, and $1,958 in 1957. These data suggest that a rise in GNP per capita may be expected during the decade ending in 1968. Even a 3% increase for the decade would raise the $600 billion GNP to $618 by 1968.

The impact of *changes* in GNP is important, particularly insofar as it affects each individual. Projections of the *total* GNP become more significant in light of the question: "How will this affect my rate of consumption?"

This article presents a method of analysis of the impact of change in the Gross National Product on the individual and, except in a most general way, is not offered as a forecast of GNP at some future date. It is believed, however, that this method of interpreting changes in GNP provides a basis for a rational interpretation of the rise of output in United States at a time when we entertain the misleading view that each new record-breaking total value of goods and services is a new high in terms of real well being of each member of the increasing United States population.

A. G. Yeager Opens

SACRAMENTO, Calif. — Albert G. Yeager is engaging in a securities business from offices at 1820 Eye Street.

Willard E. Ferrell Opens

PHILADELPHIA, Pa.—Willard E. Ferrell is conducting a securities business from offices at 1033 Rhawn Street.

Dean Witter Adds Four

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Cal.—Cecil A. Culp, James A. Gentry, Rawson E. Knight and Trevor C. Roberts have become associated with Dean Witter & Co., 45 Montgomery Street, members of the New York and San Francisco Stock Exchanges. Mr. Knight was formerly with Irving Lundborg & Co.

Treasury's Financing Views and Debt Management Problem

By CHARLES J. GABLE, JR.*

Assistant to the Secretary of the Treasury on Management of the Public Debt, Washington, D. C.

Treasury official hits speculative excesses in governments: anticipates heavy Treasury financing in 1959—though smaller in dollar volume than 1958—and a new high in short-term debt in the offing; and believes size of budget deficit is a secondary problem compared to psychological reaction of investors who see in this presageful evidence of continued inflation and, as a result, shy away from mortgage, corporate, municipal as well as Federal debt. Mr. Gable announces remedy is being sought to restrain undue speculation which will not hamper legitimate dealer operations and he deplores lack of savings institutions' and individual holdings of governments. He states Treasury's 1959 financing program will be dependent upon economic growth and fiscal soundness, and he fully supports a free bond market.

I would like to review some of the current problems which the Treasury faces in its debt management program. These are not problems which can be solved by applying a rigid set of rules. There are certain basic principles which we always try to follow, but the very fact that the economic environment and the market atmosphere in which the Treasury operates is constantly changing means that our approach to debt management must always be flexible.

Charles J. Gable, Jr.

The impact of changing circumstances on debt management policies was clearly illustrated by our experience in the calendar year 1958.

The past year was a year in which the debt was growing again. The debt at the end of December 1958 amounted to $283 billion.

This is a large debt any way you look at it and one which is woven into the asset structure of every major class of investor in the country. In the savings bond program alone an estimated 40 million individuals own bonds and about eight million are buying bonds currently through payroll savings plans.

The $283 billion public debt at the end of December represents an amount equal to 63% of the total gross national product. It is an amount equal to more than $1,600 for each man, woman and child in America. Not only is the United States Government the largest single debtor in the country, it accounts for one-third of the total debt owed by all individuals, all corporations and all levels of Government in the Nation.

After some reduction in debt early in the postwar period the public debt grew steadily again under the burden of heavy defense requirements and the Korean War, reaching a peak of $281 billion on Dec. 31, 1955. During the calendar years 1956 and 1957, under the impact of two years of budget surpluses, the debt was reduced to $275 billion. That $6 billion reduction has been completely erased, however, by deficit financing in the calendar year 1958, which increased the debt by $8 billion to a new high of $283 billion. This was the largest increase in the public debt for any year in the postwar period.

1958 Marks Postwar High

The job of adding a net amount of $8 billion to the debt in as sound a manner as possible last year required the Treasury to go to the market six times during the year to raise new cash of $17 billion, plus $2 billion more cash raised through additions to weekly bill offerings. This large amount of new cash borrowing was needed not only to cover the deficit but also to cover the retirement of other securities growing mainly out of marketable maturities paid off in cash and the redemption of wartime F and G savings bonds which are now maturing. At the same time the Treasury issued $50 billion of new securities in exchange for maturing issues ($28½ billion publicly held and $21½ billion held by Federal Reserve banks and Government investment accounts) so that the total of $69 billion new marketable securities issued during the year reached a new postwar high.

As part of this $69 billion job the Treasury issued $2.9 billion of long-term bonds and $16.7 billion of intermediate-term notes and bonds running from 4 years to 8½ years to maturity. As a result, the average length of the marketable debt was increased by two months during the year—from 4 years and 7 months to 4 years and 9 months. This was done despite the inability of the Treasury to extend any debt beyond 2½ years to maturity in the unsettled market environment which characterized the last half of 1958. The slight lengthening of the debt last year was in contrast to declines of approximately six months each in the average length of the debt during the two preceding years and brought the average back almost to the level of five years ago when the long postwar decline in the average length of the debt came to an end.

Despite the fact that there was an $8 billion increase in the total debt in 1958, there was a reduction of $3 billion in the amount of marketable debt becoming due within one year. Five years ago the under-one-year debt stood at $80 billion. One year ago it was $75½ billion. It is now $72½ billion, of which $51 billion is held by the public and $21½ billion held by Federal Reserve banks and Government investment accounts.

The job of Treasury financing in 1958 was made somewhat more difficult by the fact that Government investment accounts, which had provided a market for approximately $2 billion a year for Government securities on average during the postwar period as a whole, showed a decline of $0.8 billion in their investments. This was true because of the excess of expenditures over receipts in the Unemployment Trust Fund, the Federal Old-Age and Survivors Insurance Trust Fund and the Highway Trust Fund.

Bond Sales Broadened Credit Base

Treasury financing in the first half of 1958 was conducted in the atmosphere of recession, with rising bond prices, falling interest rates, and monetary ease. In this atmosphere it was appropriate that Treasury offerings were designed primarily to appeal to commercial banks, as debt management sought to complement monetary policy in its endeavor to increase the money supply and to better assure the availability of adequate credit for economic recovery. As a result commercial bank holdings of the debt rose by $5.8 billion in the first half of the year, even though the total debt was rising by only $1.4 billion. (See Chart).

With the exception of Series E and H savings bonds held mostly by small savers, all types of nonbank investors liquidated Government securities in the first half of the year, with most of the liquidation being accounted for by nonfinancial corporations at a time when their profits were shrinking and their tax liabilities were at a low point. Even the sale by the Treasury of $2.9 billion of new long-term bonds during the first half of the year did not result in a net increase in the holdings of Government securities by individuals and savings institutions since the bonds were paid for, in effect, by selling shorter maturities to banks.

In the second half of the year, with the economy entering into a period of vigorous economic recovery, two-thirds of the $6.6 billion increase in the public debt was absorbed by investors outside of commercial banks thereby lessening somewhat the inflationary impact of Federal deficit financing at a time when other demands for funds were rising and monetary policy sought properly to temper the rise in money supply. Furthermore, all of the increase in bank holdings was outside of the larger financial centers.

The Treasury would have preferred, however, that a larger part of its financing outside of the banks during the second half of the calendar year had been through longer term savers—such as individuals and savings institutions—rather than through nonfinancial corporations. In the latter case investment in Government securities is typically in the shortest term obligations available and is only one step away from an increase in money supply. On the other hand, longer term securities are purchased by savers with more permanent investment goals in mind.

The fact that savings institutions did add somewhat to their holdings of Government securities in the second half of 1958, reversing earlier trends, is an encouraging sign, however. Individuals added further to their E and H savings bond holdings in July-December 1958, but again reduced their holdings of the larger investor type F and G savings bonds and their holdings of marketable securities during the second half of 1958.

Singles Out Savings Institution

The persistence of the postwar trend of savings institutions away from Government securities is highlighted by the fact that the four major groups of savings institutions — insurance companies, mutual savings banks, savings and loan associations and pension funds—have reduced their holdings of Government securities from $27½ billion in December, 1952 to $26 billion in December, 1958. This was done at a time when the assets of these institutions were growing by approximately $100 billion.

As is shown in the accompanying Chart, therefore, the proportion of assets of each of these types of institutions invested in Government securities has shown in most cases a substantial decline during the last six years. Even in the case of rapidly expanding savings and loan associations, which have been building up reserves in the form of Government securities, their percentage of assets invested in Governments has declined slightly.

An analysis of individuals' savings during the last six years shows rather clearly that no individual savings found their way into Government securities on net balance during these years, despite substantial increases in E and H bonds. During the past six years individuals had new savings of $137 billion available for investment either through savings institutions or directly in securities and mortgages. Of this total $106 billion was placed directly in savings institutions, and as has been already indicated in the chart, no part of this flow of savings on net balance reached the Government securities market.

Refers to Individuals' Savings

Moreover, none of the remaining individuals' savings was invested directly in United States Government obligations either. An increase of $7 billion in E and H bond holdings was completely offset by a decline in holdings of other government securities. In effect, then, all of the funds available for direct investment during these six years went into corporate securities, into mortgages or into state and local government issues. In the latter case, of course, the Treasury is up against a particularly difficult debt management problem in trying to make its securities attractive to individuals who have the opportunity of buying tax-exempt state and municipal offerings.

A satisfactory solution to the problem of making government securities attractive to savings-type investors is not easy to find. The Treasury is, however, exploring all possible ways of encouraging greater participation in government security ownership by these purchasers.

Hits Speculative Wave

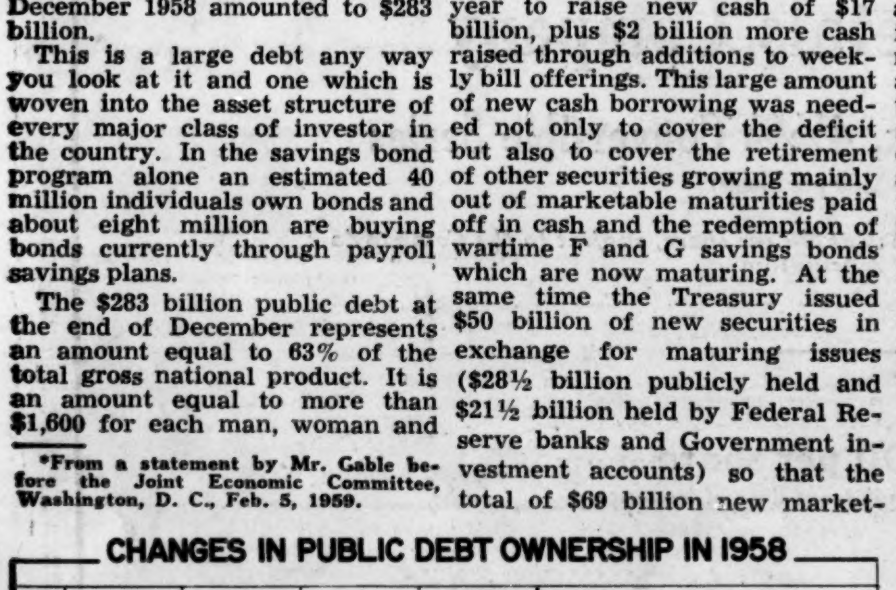
A discussion of the environment in which Treasury financing took place in 1958 would not be complete without reference to the rather dramatic changes in the market environment in which the Treasury had to do its financing. With interest rates declining and bond prices rising early in the year the Treasury had little difficulty selling securities which were priced very close to the market at the time they were issued. Subsequent market rises resulting from investor anticipation of continuing recession and monetary ease made each new security look quite attractive soon after issuance. As a result, particularly with regard to the 2⅝% seven year bond which was offered in June, there was an increased amount of speculative activity in new government issues on the assumption of a continuation of these trends.

The June intermediate-term bond was put out as one part of an optional offering in exchange for maturing securities and was subscribed for in an amount of more than $7 billion—considerably in excess of what had been expected by either the financial community or by the Treasury. This large amount presumably could have been properly digested by the market, however, if the trends of recent months had continued. But improvement in business news, plus rumors in the financial community as to a possible reversal in monetary policy resulted in a sharp turnaround in the bond market. As a result many speculative buyers who had financed their purchases on little or no margin were forced to liquidate them. The resulting dis-

Continued on page 36

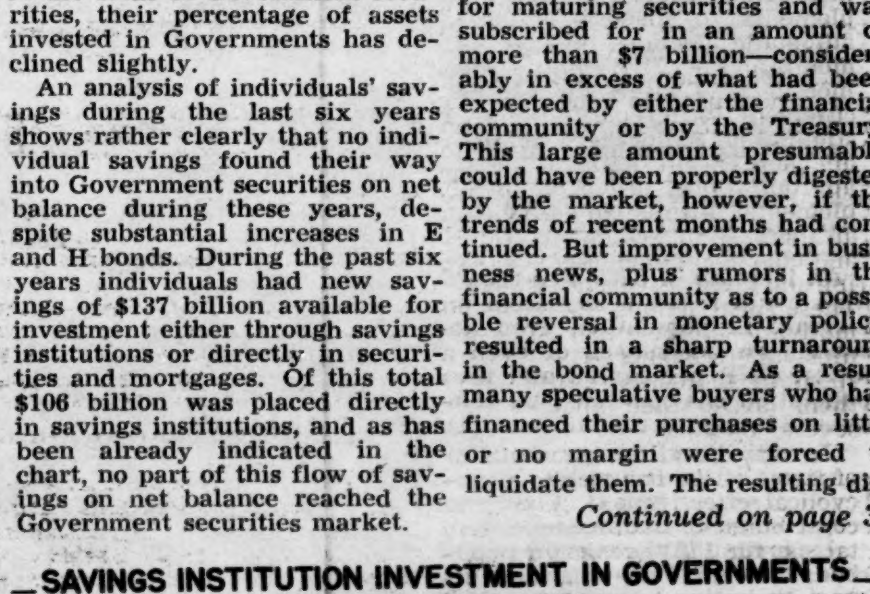
*From a statement by Mr. Gable before the Joint Economic Committee, Washington, D. C., Feb. 5, 1959.

CHANGES IN PUBLIC DEBT OWNERSHIP IN 1958



SAVINGS INSTITUTION INVESTMENT IN GOVERNMENTS

December 1952 and 1958



The New Federal Budget And Monetary Policy

By RALPH A. YOUNG*
Director, Division of Research and Statistics,
Board of Governors of the Federal Reserve System

Reserve economist ascribes to monetary policy the duty of avoiding inflation in fostering economic growth. Traces course of fiscal and monetary measures midst recent recession and recovery. Stresses crucial importance of a balanced Federal budget, citing dangers of increased spending — including its obstacle to effectiveness of monetary policy. Maintains inflationary hazards from larger Federal outlays can only be offset by additional tax levies. Concludes stable money requires long-term independence of money supply from the financing of chronic government deficits, although short-term counter-cyclical deficits and surpluses are permissible.

Monetary policy, through regulation of the supply of credit and money, has the duty of fostering sustainable prosperity and economic growth, without inflation. Other public policies are obviously also essential for realization of this goal. Indeed, if other public policies —particularly fiscal policy— fail to carry adequately their part of the load, monetary policy can be seriously handicapped in carrying out its special responsibilities.

Ralph A. Young

Monetary and Fiscal Policy in Recent Economic Decline

During recent economic contraction, fiscal and monetary measures were mutually reinforcing. Fiscal action during the recent period had a recession cushioning phase and a recovery stimulant phase. With regard to recession cushioning, the important features included transfer payment supplements to disposable income, automatic declines in tax payments, and positive administrative measures to swell defense procurement. With regard to recovery stimulation, major steps comprised an increase in national defense appropriations, provision of supplemental unemployment benefits, an increase in Federal pay levels, and enactment of emergency housing and highway construction laws. These fiscal actions, of course, had motivations other than pure stimulus to recovery; also, actual spending increases resulting from them lagged their enactment by several months.

In retrospect, these two phases of fiscal action had much counter-cyclical effectiveness. First, they contributed to maintenance of total spending in the economy. Second, through their optimistic impact on business expectations and later actual impact in expanding total spending, they helped to stimulate revival in aggregate activity.

Monetary action to combat recession also had two phases. The cushioning phase came early, beginning in the late Fall of 1957 when recession trends were first confirmed. It consisted of sharp Reserve Bank discount rate reduction and open market operations in enough volume to relax financial market tensions, to reduce to nominal volume the member bank indebtedness to the Reserve Banks, and to produce in credit markets a recognized state of ease. In the phase of recovery stimulus, monetary policy followed through with a generous provision of reserve funds to commercial banks by means of open market operations and lowering of reserve requirements, and by further discount rate reductions.

The aggressiveness of these actions was quickly reflected in reversal of contraction in the active money supply and then a very brisk expansion. Beginning in February, before the economic revival had actually set in, and extending through July when recovery was in full swing, the active money supply increased at a very rapid rate by historical standards.

Rapid Economic Recovery and Shift in Monetary Policy Towards Less Ease

Economic recovery after April a year ago took most observers by surprise, both in terms of timing and in terms of vigor. By late summer—with most broad measures of economic activity rapidly retracing ground lost during the decline—psychology in the financial community had shifted from concern about deflation to concern about inflation. Changed attitudes and expectations were dramatically reflected in the rapid rise of stock prices, in a sharp advance in market levels of interest rates, and in a resulting decline in stock yields below high-grade bond yields.

A contributory influence in the renewal of inflation psychology in financial markets was a growing belief that the Federal budget was out of control. This psychology found support in the elastic quality of current deficit estimates as the year wore on, in part reflecting unexpectedly large outlays for farm price support. It was also bolstered by focusing telescopic lenses on possible Federal spending programs—a magnifying process which converted possibilities into early realizations.

With evidence of rapid and vigorous recovery in output and employment cumulating, and in the face of the inflationary psychology in financial markets, it was both appropriate and necessary that the Federal Reserve System should take action to temper the expansion of bank credit and of cash balances. This action took the form of a curtailment of reserve funds supplied at the initiative of the System through open market operations and of two successive increases in Reserve Bank discount rates.

This was the classical method of retarding bank credit and monetary expansion. Just as it had been effective in the past, so it was again effective this time. In the last five months of the year, bank credit and monetary expansion was reduced to a rate much more consistent with the pace of economic advance and in the same period the Treasury was able to finance the bulk of its huge current deficit outside the banking system. Indeed, the active money supply, though it had shown rather wide recession-recovery movement, was just about 2½% higher at the end of 1958 than it had been at mid-summer 1957.

Importance of a Balanced Federal Budget

The maturing of economic recovery and the shift of monetary policy away from active stimulation has not convinced all that inflationary dangers have lessened. Some observers continue to view the large recession-recovery deficit with alarm and see unavoidable continuation of deficit financing. They further emphasize the inconsistency between a deficit posture of fiscal policy and a restraining posture of monetary policy. And they cannot see how monetary policy can do other than eventually give way, becoming in fact an engine for monetizing Federal debt.

This is a myopic perspective on the problem. It neither gives adequate weight to normal economic processes nor adequate weight to the public interest in, and public support for, a sensible Federal fiscal policy.

With respect to economic processes, if recovery now flowers into an extended phase of economic expansion—which is not an unreasonable expectation—this very fact will generate a substantial rise in Federal receipts, comparable to the rise experienced in the recovery-expansion period from fiscal 1955 to fiscal 1956. Both corporations and individuals can be expected to contribute to larger tax receipts.

With respect to the public interest side, the national goal of high-level employment with stable prices furnishes compelling imperative for action to hold down Federal expenditures so that receipts may have some chance to catch up with them. To make the two sides of the income-outgo ledger come into balance in the 1960 budget, the budget makers say that a catching up of tax receipts will not be enough. Beyond this, some modest cut-back in expenditures and some additions to tax receipts are needed.

Federal budget projection, despite all advances in the arts of economic forecasting, is basically a judgment process. The very best expert judgments in the Government and in the country are brought to bear upon it. Should the economy fail to expand and increase tax receipts as rapidly as these experts have judged to be possible, the budget would obviously not reach a balance. In this case, however, the economy would have unemployed resources, and the public concern would properly center more on the unemployed resources than on the deficit itself. If this were to be the situation, no untoward problems would be presented to either debt management or monetary policy in financing the deficit through financial markets. This prospect, in other words, would not be inflationary.

The biggest budget risk ahead is that pressures for special spending actions beyond the Administration's budget goals will prove irresistible. Larger Federal spending might conceivably accelerate some of the pace of real economic expansion. But at the high levels of activity already projected for the budget, more Federal spending might merely substitute for more private spending.

At high levels of economic activity, the monetary supplement to savings each year must have some limit if inflationary dangers are to be avoided. Accordingly, under conditions of deficit from larger Federal spending, competition between the Treasury and private spenders of borrowed funds would be much intensified. Admittedly, in these circumstances monetary policy would be under acute pressure in resisting the resulting heavy demands for bank credit and monetary expansion.

To avoid the inflationary hazards of larger Federal spending, if such spending finds support with public opinion, any resulting deficit will need to be met by additional tax levies, preferably in sufficient size to create a Federal cash surplus. Indeed, only positive tax action could make monetary and fiscal policy mutually reinforcing under prospective prosperity conditions. In addition, positive tax action would be essential to lay once and for all those current inflationary fears that rest fundamentally in disbelief of our national fiscal responsibility.

A monetary policy designed to maintain a stable value for the dollar is one in which longer term growth of the money supply is kept consistent with the longer term growth of the economy. A fiscal policy consistent with sound monetary policy is one that provides a longer run balance of receipts and expenditures, though it permits of countercyclical deficits in times of recession offset by countercyclical surpluses in times of prosperity. History has more than once proved that stable money is not possible if expansion in the money supply is geared first of all to the financing of chronic deficits of government.

*Round table remarks of Mr. Young, Director, Division of Research and Statistics, Board of Governors of the Federal Reserve System, before the 391st meeting of the Conference Board, New York, Jan. 23, 1959.

Penetrating Effect of Federally-Controlled Interest Rates

By WALTER C. NELSON*
President, Mortgage Bankers Association of America and President, Eberhardt Company, Minneapolis, Minn.

Mortgage banking spokesman describes the effect of Federally-controlled interest rates in the mortgage banking industry. Mr. Nelson rebuts proponents' belief that fixed interest rates benefit those whom the Government is trying to protect; points out the home-builder increases his price to offset discounts he must pay; and reviews other undesirable problems created. The banker pleads for the lifting of FHA rate to its maximum of 6% which would provide for all practical purposes a free rate, and suggests a study be made of flexible FHA interest rate dependent on the yield of long-term government bonds.

If we are to discuss this subject objectively, it seems to me that we must try to understand the reasoning of the proponents of fixed interest rates. I know that for those of us who deal in money and mortgages, a feeling of frustration occurs in any search for factual data in an attempt to make a case for the other side.


Walter C. Nelson

Historically, the FHA rate was not fixed at a price which would not produce a par market for the mortgages. The idea that the government should fix the interest rate on privately financed mortgages is of fairly recent origin. It had its beginning shortly after World War II. If you will recall, FHA started in 1934, and the plan of the authors of the Act was to promote home financing for a much larger group of our citizens. The principal factor, as far as the borrower was concerned, was to permit purchase of a home with a much lower down payment and a smaller monthly payment. Through the medium of mortgage insurance, investors were expected to take the risk of a high percentage loan and a longer maturity. The authors also expected the Act to provide a better flow of money from the areas of capital surplus to those of capital shortage. In addition, it was a vehicle by which investors could legally make a higher percentage loan to value without requiring a change in the various state laws. It certainly was not expected or desired that FHA should dictate the interest rate at which private investors should be expected to make the loans in order to accomplish these objectives.

On the contrary, the original administrators of FHA were careful to see to it that the interest rate they were required by law to set on insured mortgages was safely above the market. In fact, in order to make sure of market acceptance, at the beginning, they fudged a little by permitting an annual service charge of ½% in addition to the maximum statutory interest rate.

Following this example throughout the prewar period, the interest rate on FHA mortgages remained consistently above what was generally the going rate in the market. It is true, of course, that the FHA rate was reduced from time to time, and ultimately the service charge was dropped But in taking these steps, FHA always **followed** the market. It never preceded the market, and it never dictated to the market.

*An address by Mr. Nelson before the 4th annual Southwestern Senior Executives Conference, co-sponsored by Mortgage Bankers Association of America and the School of Business Administration of Southern Methodist University, Dallas, Texas, Jan. 27, 1959.

Why Is Fixity Continued?

Just when and how did we get sidetracked from these original philosophies, and what have been the reasons for the continuance of this fixed interest rate below market levels?

I believe we can generally agree that the Veterans Loan Guarantee Program must take a major portion of the responsibility for this change in administrative thinking. The Veterans Administration, of course, intended to give the veteran preferential treatment in the home loan market both from the standpoint of interest rates and from the standpoint of protection from excessive prices. In effect, the insurance premium on the high percentage VA loan was to be paid by the Veterans Administration, and the veteran had a simple rate of 4% without additions such as the mutual mortgage insurance premium.

When the Veterans Administration came into being, a 4% rate was generally the going rate for home mortgages, and certainly it was proper to establish 4% as a fair rate on the VA loan at the time it was started. Interest rates had been going down for over a decade because of a lack of demand for long-term funds.

In 1952 and 1953, however, interest rates began to move upward, and it was felt by some that a plan had to be evolved to protect the veteran from the avarice of the money lenders. The "powers that be" developed the thought that the VA feature was so valuable to an investor that he would not only be willing to lend a higher percentage for a longer term than had been customary, but also that it could be at an interest rate lower than the market rate.

It was determined that Congress could properly fix that rate, and, as you know, the FHA program was soon brought into the sphere of congressionally controlled interest rates. More recently, of course, another degree of control has been added by placing a rate ceiling on VA loans at ½% less than the FHA loans.

The problem that has developed and seemingly is an endless struggle is the contest between market forces and political judgment. The market is just not convinced that the arguments of the fixed rate are sound. For five years we have seen government sponsored mortgages selling at something below par ranging from a discount of 1% to as much as 12%.

We are prone to blame Congress for much of the delayed action in providing a workable interest rate, but we are certainly subject to their criticism for this thinking. The FHA Administration has had ample authority to provide a satisfactory interest rate in line with market requirements. It is only the effort to continue to hold the FHA and VA rates at a comparatively constant difference of ½% that has created our most serious problem.

Who Would Benefit?

There may be a feeling on the part of some that a more flexible rate in a rising market is only for the benefit of the lender. I should like to point out some of the other penetrating effects of Federally-controlled interest rates.

As interest rates rose from 1951 to 1953, the combined volume of FHA and VA activity (in terms of mortgages insured or guaranteed) fell 40%, and the number of new housing starts under those programs fell from a high of 700,000 in 1950 to a low of 400,000 in 1953. During the same period, the number of starts under conventional or all cash arrangements remained almost constant, at just under 700,000. The fluctuation was actually less than 1% on conventional starts.

During 1954 and 1955, demand for longer term funds from other borrowers abated, and FHA and VA rates were again attractive to the market with the result that we had a large increase in private housing starts—namely 1,300,000 starts in 1955. In 1956 and 1957, interest rates stiffened and FHA and VA rates were held constant in spite of their obvious failure to meet market requirements. It wasn't enough that we had fixed interest rates, but insured and guaranteed mortgages were also held under a control of discounts for a period of time. Fortunately, this was eliminated before the home-building industry had gone into complete collapse, and some semblance of marketability returned by use of discounts and an increase in the FHA and VA rates.

The Mortgage Bankers Association, along with others, have tried unsuccessfully to have a free or flexible rate on FHA loans. Last fall at our annual convention we heard two of the government representatives extol the virtues of a flexible or free rate. This raises the question of what can be done to provide flexibility and still allow Congress or the Administration to retain some degree of control without limiting the marketability of insured and guaranteed loans to a dangerous point.

Formula Based on Long-Term Yields

As far back in the past as 1950 our own Bill Clarke suggested a flexible self-executing formula based on the yield of long-term government bonds. This is a very interesting proposal and certainly provides some basis for compromise between those groups in government that opposed the complete elimination of a ceiling rate on government-backed mortgages and the investors who must necessarily exercise their prudent judgment in the investment of trusteed funds. Any plan such as this would certainly require careful study to establish to some degree of accuracy the differential necessary to provide a marketable FHA interest rate. This differential, according to studies which have been made, indicates a spread of 2 to 2½ points would have been required in most recent years.

One of the fallacies of this approach, however, lies in the supposition that all FHA and VA mortgages should command the same price. Those of us who originate and sell government-backed mortgages know that many factors are introduced into individual mortgages that make a yield differential important to the investor. For example, many investors vary the price on a loan, depending on the down payment and term of the mortgage. Again, some investors will look with less favor on a mortgage on an older property. More than almost any other factor we have the supply of mortgages acting as a factor in establishing the price. At present, there are a few areas in the East where FHA 5¼% sell at par simply because the supply of mortgage funds exceeds the demand. On the other hand, we have areas such as California, Texas, and Florida where population growth creates an excessive demand for mortgage money as compared to the supply. In other words, although we may have flexible or free interest rates, we probably will always have variations that will need adjusting by use of small discounts or premiums.

I believe I should summarize, however, by pointing out some of the obviously undesirable problems that we seem to develop under our present systems and suggest some of the cures.

Does Not Benefit the People

First of all, I do not believe that controlled interest rates below the market level benefit the people that our government is trying to protect.

The home-purchaser **does pay the discount.** It is a fallacy to believe that the home - builder doesn't increase his price in an effort to offset discounts he must pay to secure the financing. Also, the original purchaser of the property pays all of the rate differential based on the anticipated life of the loan. By an adjusted interest rate, moving with market requirements, he pays the higher rate only during the period of actual ownership.

It is not possible to estimate the buyers who are required to pay excessively high rates by resorting to secondary financing. This is especially true in the used house market because sellers do not understand and are frequently unwilling to pay the required discount. This had led to the undesirable practice of increasing the price of the older home to provide a market for the sale of secondary financing paper.

Last, but not least, is the great fluctuation that is created in new housing starts as the builder approaches each year with uncertainty and mental trepidation. Unless his financing has been arranged well in advance of his starting construction, he may well "lose his shirt" because of discount requirements placed on him in order to provide an unrealistic rate for the actual borrower of the money.

In conclusion, let me say, although a flexible rate tied to long-term governments may be better than our present plan, I am inclined to believe that the FHA rate should be lifted to its maximum of 6%, which for all practical purposes would provide a free rate. It wouldn't take long for the market forces to be brought into play and the rate would adjust itself to the satisfaction of both borrowers and lenders. All plans of control by forces other than the borrower and the lender tend to develop practices which prove harmful to our entire economy.

From Washington Ahead of the News

By CARLISLE BARGERON

It is easily understandable why our State Department would appear to be intransigent in the matter of the Russians' proposal to turn East Germany over to the Germans and to pull out. The State Department's attitude is that it is utterly impossible to deal with the Russians and it is just a waste of time to make the effort.


Carlisle Bargeron

However, the East German proposal deserves some serious consideration. It is difficult to see just what we would lose. Of course, that is assuming we stay in West Germany. The Russians say that if we refuse to agree on their returning East Germany to the Germans they will do it anyhow and leave it to us to deal with the East German Government. That could not be any worse; to all indications it would be better. For one thing the East Germans are not as strong as the Russians.

We seem to have a phobia about dealing with the East Germans. We don't want to recognize them as a separate government. On two occasions now our aviators have landed in East Germany and were captured. We let them remain in jail for days and days while demanding that the Russians turn them loose.

There is something else that I have not seen mentioned in any of the discussion about removing Russian troops from East Germany. The only justification of the Russians being in Poland and Hungary they aver, is to protect their lines of communication. They occupy East Germany; therefore they must occupy Poland and Hungary and Czechoslovakia to guard their lines of communications.

If they give up East Germany what will their excuse be to remain in these other countries. Is it possible that they intend to give up their occupation of these countries? This writer does not know anything about Hungary, but if there is ever any relaxation of the Communist hold over Poland that country will come out from under the yoke. Russia took over Poland after the first World War. They did not hold her for long. Poland relatively quickly asserted herself and told the Russians to get out. The Russians did.

We have a lot of critics in this country against our giving aid to Poland. For reasons which I can't express very well, and apparently the Administration can't either, I think our aid is a good investment. The hatred which the Poles have for the Russians is deep-rooted and long-lived.

I remember a trip I made to Russia and Poland several years ago. Leaving Moscow at near midnight on the famous Trans-Siberian express we came to the Polish border about noon the following day. After about an hour at the Russian customs, we boarded the same Russian train which then moved three miles over a No Man's Land. Half-way across there were two guard towers about 100 yards apart. Atop one was a Russian soldier looking at Poland. He wore a bedraggled uniform and carried a rifle which I am satisfied, would have fallen to pieces if fired. Atop the Polish tower was a nattily uniformed Polish soldier looking at Russia. His rifle seemed to be in perfect condition. About a mile further we came to the Polish customs. Drawn up was a fully Pullmanned train of about 12 cars. It was an express all the way to Paris. The dining car was perfect, the accomodations were perfect. It was amazing that in such distance conditions should be so different. Nevertheless, as we swept through the Polish countryside there were perfectly kept farms, well painted barns and homes. It was like coming out the darkness into the daylight.

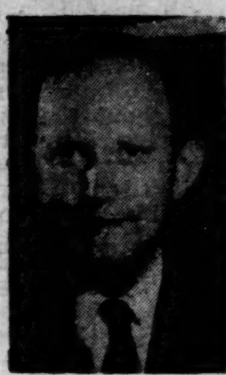
I will lay my money on the Poles if they ever get a chance.

Setting the Record Straight About Soviet Trade Desires

By HON. C. DOUGLAS DILLON*
Under Secretary of State for Economic Affairs
Washington, D. C.

Mr. Dillon says he was the only U. S. official who discussed trade in detail with Mr. Mikoyan in explaining why Soviet overtures for increasing trade are insincere. Mr. Dillon declares "the only thing the Soviet needs to do if it really wishes to expand its trade with us is, quite simply, to begin trading." The former investment banker: (1) compares U.S.S.R. and U.S.A. avowals and deeds; (2) suggests what U.S.S.R. can do to create greater business confidence; (3) queries low level of Soviet's exports to Free World and determined drive to capture Asian, African and Latin American economies by trade and aid techniques; and (4) outlines what we should do to assist newly-emerging areas.

Recently, the foreign economic policies of the Soviet Union have become a matter of increasing importance to all of us who have an interest in world affairs. I would like to examine the hard realities of Soviet foreign economic policies—both with the industrialized West and with the newly-developing areas of Asia, Africa and Latin America—and then outline our government's position regarding trade with the Soviet Union. I shall also briefly touch upon our own trade and financial programs aimed at helping the newly-emerging countries achieve material progress under freedom.



C. Douglas Dillon

We are all, of course, aware of the well-publicized visit of Soviet Deputy Premier Mikoyan to some of our major industrial and financial centers. His private tour and meetings with American business groups had, among other purposes, the airing of the theme of greater trade with the United States. This campaign began with Soviet Premier Khrushchev's letter to President Eisenhower last June. In that letter, you will recall, Premier Khrushchev proposed a significant expansion of United States-Soviet trade, claiming it could amount to "several billion dollars over the next several years."

President Eisenhower replied that the United States favored an increase in peaceful trade, that the way was open for the Soviets to expand their trade with the United States if they so desired, and that the Department of State was prepared to discuss the matter further with them.

What happened next?

The Soviets promptly initiated a series of aggressive actions against the free world which inevitably resulted in a marked heightening of tensions. I refer to the Soviet Government's actions in the Lebanon and Jordan crisis, in the Taiwan Straits crisis, and most recently, in Berlin.

This, then, is the inauspicious setting against which we must measure the Soviet leaders' seriousness of purpose in their talk of expanded trade with the United States.

What lies behind the talk? Do the Soviet leaders—who are well aware that the chief limitations to an increase in trade with the United States are limitations of their own creation—really desire to expand commerce with the United States? Or do they calculate in advance that their efforts to secure one-sided concessions will fail—and thus provide them with an excuse for refusing to include the Soviet consumer in the benefits of their expanding industrial growth?

In attempting to find the answers to these questions we should keep in mind the basic nature of the Soviet system:

Describes Basic Nature of Soviet System

A nation's foreign policy, including its economic component reflects its domestic policies and institutions. The Soviet Union, as you know, is a totalitarian dictatorship, firmly ruled by a small elite in the Communist Party, which is dedicated to eventual Communist world domination. Economically, the Soviet Union is characterized by state ownership of land and the means of production, state control of the labor force, and domination of the right of individuals to make economic decisions by centralizing all economic power in the hands of the state.

As an integral part of Communist strategy, the Soviet leaders manipulate their economy to attain maximum growth of heavy industry under forced draft. Their objective is starkly simple: the achievement of both economic and military world supremacy. Their method is the concentration of investment in heavy industry at the expense of the Soviet consumer. Thus, they subordinate the economic well-being of the individual to the rigid demands of overall state planning.

Now, what role does foreign trade play in the Soviet scheme of things?

In keeping with Soviet theory, one of the Communist leaders' first moves after the Bolshevik revolution was to establish a state monopoly over foreign trade. Inherent in the type of economy they were creating was the need to deliberately isolate the Soviet economy from world market forces and allow Soviet planners to exercise full control over the domestic economy. This absolute state monopoly also permits them to turn trade off and on and to shift its direction to suit the Communist strategy of the moment.

From the very beginning of the Soviet industrialization drive, foreign trade was bent to the task of importing heavy machinery and equipment incorporating the latest technological advances developed in other countries. Imports of consumer goods were virtually eliminated in favor of basic industrial equipment. During the early '30s, these imports of the means of production enabled the Soviet Union to launch new industries at levels of development which had taken the West years to achieve through costly research and development.

Thus, by tapping the advanced technology of the West, the Soviet Union was able to gain years in terms of economic development. Soviet leaders, including Mr. Mikoyan on his recent visit to Detroit, have publicly recognized this historic fact.

Soviet's Goal of Autarchy

We must recognize another, equally historic fact: to Soviet planners, trade with the free world is always subordinated to the overriding goal of self-sufficiency. Let me remind you that once the Soviet planners completed their procurement program from the West in the early '30s, trade with the outside world fell off drastically.

Since then, their trade with the United States has never regained a comparable level—except during World War II and the immediate postwar years, when, as you will recall, this country shipped some $11 billion worth of lend-lease and UNRRA goods to the Soviet Union.

From the public statements of Messrs. Khrushchev and Mikoyan, it would appear that they now desire to repeat the pattern of the '30s. There is good reason to believe that their renewed interest in purchasing from the West stems from the new Seven Year Plan which is now being unveiled. We can anticipate that this plan will be a major topic during the 21st Congress of the Communist Party. This plan has been heralded by the Soviet leaders as a major step toward the accomplishment of their announced goal of overtaking and surpassing the United States—a goal, we could consider a welcome challenge if the Soviet people, rather than Communist world ambitions, were its primary intended beneficiaries.

From what we know of the plan so far, it appears that the Soviet consumer will continue to be short-changed in favor of another major industrial "leap forward."

To assist in carrying out their ambitious plans, the Soviet leaders are one again counting on appeals to the profit motive inherent in our free enterprise system to enable them to obtain a large stock of advanced technology and equipment—and primarily on credit.

Soviet Pre-condition to Chemical Trade

Premier Khrushchev himself has made this abundantly clear: Last May, he stated that it would be "expedient" to purchase plant and equipment for the chemical industry from the "capitalist" countries to avoid wasting time on "the creation of plans and mastering the production of new types of equipment." Then, in his letter to President Eisenhower, he pointed out that since the materials desired by the Soviets could not be paid for by their exports, the Soviet Union would be willing to accept long-term credits from the United States. This suggestion was presented to me as an absolute pre-condition to increased trade during my talks with Mr. Mikoyan.

The Soviet leaders apparently do not wish to divert sufficient resources into exports to acquire the large volume of capital equipment which they desire, on a pay as you go basis. Hence, Premier Khrushchev in his letter, and Mr. Mikoyan during his visit have, in effect, invited us to help finance the continuing rapid expansion of Soviet industry.

Now, goods purchased by a country must be paid for either by its own exports or by obtaining foreign credits. In the Thirties, the Communists procured foreign capital equipment by exporting grain at prices below an already depressed world market—despite the fact that millions of Russian and Ukranian peasants were dying of starvation.

Today, as then, Soviet exports consist mainly of raw and semi-finished materials, sold in bulk. Thus, because of its economic system, the world's second largest industrial nation has, in its dealings with the Western World, a commodity export pattern not unlike that of many underdeveloped countries.

To such traditional exports as wood products and manganese, they have recently added tin, aluminum, oil and oil products. Because of price cutting tactics, so typical of a state trading monopoly, these sales in the Western World have already proven injurious to such traditional Free World exporters as Bolivia, Malaya, Indonesia and Canada.

Manufactured goods have thus far been offered sparingly outside the bloc, and mainly in politically motivated trade with selected target countries in the less developed areas of the free world. However, with the growth of Soviet industrial capacity, this component of their exports to the free world may be expected to increase.

Nevertheless, there is every indication that the main thrust of the Soviet export drive will continue in the field of basic materials, where it will pose a continuing threat of market disruption which would adversely affect the economies of our normal trading partners in the less developed areas of the free world. This concentration of Soviet exports in the field of basic materials also worked to limit Soviet exports to the U. S. for we have solidly established trade patterns for the purchase of these items in large part from the less developed countries.

Now Mr. Mikoyan has repeatedly stated that the United States Government does not wish to see increased trade with the USSR. He puts the entire blame for the present low level of trade on the United States.

Sets the Record Straight

Let us look at the facts — at what actually occurred during Mr. Mikoyan's talks on trade with United States officials. On this matter I can speak with some authority, as I was the only U. S. official with whom Mr. Mikoyan discussed trade problems in detail.

First of all, to set the record straight, Mr. Mikoyan was assured by ever official with whom he spoke, from the President on down, that the United States now, as always, favors an expansion of peaceful trade between our two countries.

But we pointed out that trade is the result of mutually advantageous agreements between willing buyers and willing sellers.

In this country, the conduct of our commerce is in the hands of private firms and private individuals.

The Soviet state trading monopoly is at liberty under our laws to enter our free market and to buy and to sell. Its American outpost, AMTORG, is established in New York and has wide commercial contacts.

There is only one restraint on AMTORG's activities. We cannot be expected, as a country or as a people, to provide the Soviet Union with the sinews of war while its policies menace our own and other free world countries with whom our security is linked. Therefore, such items are embargoed for export to the Soviet bloc.

We have only recently completed our second major revision of the list of strategic goods subject to export licensing control. As a result, the list of goods which the United States will not license for export to the Soviet bloc has been significantly pared down. Actually, only about 10% of all our products moving in international commerce are subject to embargo.

In this connection, I understand that while he was in Detroit, Mr. Mikoyan complained of our system of export controls. He said in effect that only such items as chewing gum, firewood, and laxa-

Continued on page 29

*An address by Mr. Dillon before the Mississippi Valley World Trade Council, New Orleans, La., Jan. 27, 1959.

Electricity in Our Future

By S. L. DRUMM*

President, West Penn Power Company, Greensburg, Pa.

Electricity's revolutionalism on our life has only been the beginning Mr. Drumm insists in providing an insight as to what lies ahead in 1979—marking a century of utility service. The industrialist envisions 29,000 kwh. of electricity per employed person, compared to 3,000 kwh. in 1930 and 10,800 kwh. in 1957; and such industrial-commercial usages as: electronically controlled flying vehicles and guided cars, revival of electric-driven cars, fully automatic industrial processes, and countless additions to tomorrow's electric home. Mr. Drumm predicts this will entail four-fold increase in generating capacity requiring $150 billion of new capital with a much larger sum to industries, homes, etc.

Let us look ahead to 1979, when the electric utility industry will be 100 years old, and speculate on what may be before us in the way of improvements and new features available to the people to be served by the industry 20 years hence.

S. L. Drumm

Electricity is so commonplace and abundant that we take it for granted and tend to overlook the fact that the utilization of electricity is still a rapidly developing art. So let's take a quick look at what has taken place in the last 80 years, to show how fast and in which direction the industry has been developing.

The electric age in which we now live was very slow in dawning. Scientists had known about this now form of energy and had experimented with it for a long time before it had an appreciable impact on our daily existence. Its first major practical use was in the communications field.

Once under way, development of the electric industry was rapid. In 1879, Edison applied for his first incandescent lamp patent, and the first electric public utilities began to light a few of our cities by the use of arc lamps. Thus in this year of 1959 the electric utility industry is 80 years old.

Originally, we were an agricultural nation. Muscle power, of men and beasts, supplied the energy needs of a rural economy.

The water wheel and the steam engine were the first mechanical devices that reduced muscle power and permitted the start of industrialization, and the improvement of urban living. The introduction of electricity accelerated industrialization and, step by step, has reduced muscle power to an insignificant proportion of our total energy requirements.

Electricity has revolutionized industrial processes, and has created new fields of endeavor hitherto unknown. It has released millions of men from backbreaking toil, and has freed the housewife from many of her most burdensome tasks. It is the household and business servant of today — cheap in cost — requiring no sleep or rest periods, and always available on instant call, day and night.

Only the Beginning

Through the contributions the electric industry has made to better living during the first 80 years of its existence the industry has revolutionized our very way of life in these United States. But these advances are only the beginning. The electrical era has just begun. One indication of this is the fact that expenditures for research and development by all manufactureres average 1% of their gross sales dollar while the electric industry manufacturers spend 3% for the "answers" to better living and higher productivity (the two [2] largest actually spend 6%).

In 1979, we may be having a press conference to mark the completion of a century of utility service, and we have an idea that those participating in it may have difficulty in visualizing what it was like way back in the primitive year of 1959 without the wonderful things that will come into being during the next 20 years.

May we preface our look into the future by stating three assumptions upon which our forecasts are based. They are:

(1) No catastrophic war.

(2) A continuation of the private property and free enterprise system as we know it.

(3) No runaway inflation.

It is the earnest hope of our industry, that these assumptions are correct and that our country will continue along the road that has brought us prosperity and a standard of living that is the envy of the whole world.

Population—Housing Projections

A prime consideration in the utility industry's planning for the future is the number of people it will have to serve. In 1879 the nation had 49 million people. Today there are 177 million. The Census Bureau expects that by 1979 there will be 267 million, if the maximum fertility rates now envisioned are realized.

Now let us take a look at the number of households in this country of ours. In 1879 there were less than 10 million households and none had electricity. Today there are 51 million, and nearly all have electricity available to them. By 1979, there should be about 75 million households in these United States.

All these additional people, with their higher standard of living, will require vastly more goods and services than we currently use. So the probable size of the work force, and the productivity of its members, is of prime importance.

Here is what lies ahead as to the size of our labor force. There were 17 million in the labor force in 1879. Today the labor force has increased to about 75 million, and by 1979 it should total about 110 million, which would be about 41% of the population at that time.

The output of the labor force has, of course, also increased over the years. Part of this increased output is the result of the steady expansion in the size of the labor force; but the biggest part of the greater output has resulted from the increasingly better tools used by the workers.

One of the most important of these tools is electricity. It does physical work faster, better and more cheaply than ever before, and, through electromation, it is entering the supervisional field.

Back in 1930 the use of electricity per employed person, exclusive of agricultural workers, was a little over 3000 kilowatt-hours per year. In 1957 it was about 10,800 kilowatt-hours per year. By 1979, it is expected to reach 29,000 kwh per year. In other words, each worker will be using almost three times the electricity used today to multiply the results of his efforts.

Details Possible Changes

As electrical developments continue what changes will there be in the industrial and commercial uses of electricity? This list illustrates what these changes will be like.

Fully air-conditioned buildings will be practically universal for factories and commercial enterprises. It will be difficult, if not impossible, to get workers, or customers, otherwise. In addition, first-class climate control will improve worker efficiency and health.

Fully automatic operations will be standard and they will be directed by punched cards and tapes.

Flying vehicles will be almost 100% electronically controlled to eliminate risk of collision and pilot error.

New revolutionary industrial processes will be commonplace in many industries. For example, ultrasonic waves will debark logs, homogenize the pulp, disperse it and purify the refuse.

Widespread pipeline transportation systems will be operated and controlled by electronic computers.

Preformed structural shapes, both wood and metal, made by electric processes, will be characteristic of all types of structures.

New electric furnace applications will extend to many additional fields.

New inventions and processes will come into being. Invention and change have always been characteristic of our country, and we are sure they will continue to be in the years to come.

Here are some other examples which indicate we have hardly begun to live electrically.

On the highway of tomorrow, cars will roll along guided and controlled electronically — safe from collision and over-speeding, while the drivers play games and chat. These cars will be air-conditioned, and will contain most automatic features now available only on the most expensive cars, plus some others that do not exist today.

Electric-Driven Cars

Moreover, the motive power of many of these cars will be electricity. As you may recall, electric-driven cars were quite popular in the early days of the automobile.

Because of improvements in materials, storage batteries and manufacturing "know-how" and because of the special transportation needs they can fulfill, electric cars are now coming back. Here is an electric-driven passenger car which one manufacturer has about ready for market. Other makes are on the way. Electric utilities are ordering them. They find that their range of more than 70 miles is well above the mileage requirements for many of their needs. Batteries will be recharged, usually at night, by plugging the charger provided into a conventional house outlet. In this way utilities will supply the electricity to operate these cars.

These new electric-driven cars will be ideal for city and suburban use. They will cost less to operate than existing cars, will be simple and easy to drive, and maintenance will be negligible.

City noise will be greatly reduced, and so will the air pollution that now takes an unknown, but heavy, toll of health.

While the battery is still a limitation, further advances in the storage battery field seem certain. When they come, the range of electric autos will be increased, and may permit their use even for cross-country travel.

Another new electric development in the automotive field is called the "silent milkman." This is an electric delivery truck that reduces to a whisper the noise from a daily event that is sometimes disastrous to sleep at a critical time of day. It's an improvement which all of us can heartily endorse.

Another example of expanding use of electricity in the commercial field is in shopping centers.

Because of the choking effects of ever-increasing automobile traffic on urban and suburban areas, shopping centers are springing up everywhere, and we can expect this trend to continue. For an idea of what these centers will look like in the future, here is the Southdale Shopping Center at Edina, Minn.

Turning now to another field, hospital care and medicine will be improved by new electronic developments. Here are some of the possibilities.

New hearing devices will be developed. Electronic engineering may enable even stone-deaf people to hear by means of tiny induction coils implanted in the bone structure and attached to nerve endings that go directly to the brain.

Automation of hospital procedures will be extensive. An overhead monorail type of transportation will permit moving patients throughout the building without removing them from their beds. The nurse of the future will be stationed at a central point and will be able to observe her charges on a TV screen; study and record the condition of her patients by remote electronic control.

Climate control and color therapy will become essential elements of hospitalization.

The rooms will be equipped so that desired changes in temperature, humidity and electric ionization can be accomplished by adjusting a dial. As a result, bed covering will be minimal. Walls will be wired for color changes to effect color therapy and music will be keyed to the color changes.

Electric incinerators will find increasing application in hospitals to dispose of the great array of "disposables"—linen, gloves, hypodermic needles and dishes.

Centralized processing of hospital food on a mass production basis together with electronic ovens near the patient will solve one of the major discomforts of a hospital stay—lukewarm or cold meals.

Improved air filtration processes and equipment providing 100% protection against radioactive particles will be in use.

As the electrical era goes on, perhaps the biggest changes will be in the home.

New Things in the Home

But we have hardly begun to live electrically. Here are some of the new things that we can expect to find in the homes of 1979.

Climate control will be universal in all new houses, and widespread in the older ones. It will be hard to sell a house that does not have it.

Push button operation of windows and doors will be found in many new homes.

Luminescent lighting from walls and ceilings will be common.

New cleaning machines will wash, rinse and dry a kitchen floor in minutes.

New automatic laundry equipment will pick up, sort, clean, iron and fold the wash.

Dusting by electrostatic wand will be a welcome improvement for the housewife.

Electronic cooking will be widespread with complete meals taking only five minutes or less from freezer to table by the push of a button.

Greatly improved television equipment will give better reception and greater conveniences, including shopping by TV.

With respect to climate control, here is a new type of structure

*An address by Mr. Drumm before the 2nd Annual Power Progress Dinner in New York City, Feb. 5, 1959.

which has just been built to house the swimming pool at the Shelburne Hotel in Atlantic City. It is a huge bubble-like enclosure made of plastic—shaped and supported entirely by air pressure created by fans. It is located right next to the ice skating rink and is heated so that the bathers will have summer conditions while winter storms blow without.

In 1979 you will see many such bubbles; they are entirely practical for home use.

This is real climate control, and the people of tomorrow's America will enjoy it.

What does this all add up to with respect to the use of electricity in the home?

In 1879 the average residential use of electricity was zero. No household had central-station electric service. In 1939, 20 years ago, the average use was 897 kwh. Today it is about 3,600 kwh. In 1979, 20 years from now, it is expected that the average use will be 10,000 kwh. It could be considerably more than that, as the average for some companies is crowding that figure today. Many customers will use from 30,000 to 40,000 kilowatt-hours a year.

Seventy-five million households each using 10,000 kwh a year amounts to 750 billion kilowatt-hours. This is considerably more than today's entire output by the electric utility industry for all purposes.

What will this increased use of electricity in homes, farms, stores, and industries mean to the utility industry?

Four Times More Generating Capacity

Because of the increased population and the increased per capita use of electricity, the utility industry by 1979 will have to produce something over 2¾ trillion kilowatt-hours and have about 600 million kilowatts of generating capacity. This capacity is about four times the generating capacity in service today and will require tremendous amounts of new capital.

New capital will also be required to continue improvement in the facilities to deliver the electricity from the generating stations to the customer, improvements which will include the raising of transmission and utilization voltages, and the providing of new and improved facilties of all types.

The amount of new capital that will be required by the industry by 1979 will be well over 150 billion of today's dollars. It could well be more.

Large as this figure sounds, a much larger sum will be required to equip factories, industries, commercial establishments and homes to use these great amounts of electric energy. This will greatly stimulate business throughout the entire electric industry as well as associated businesses and industries and the nation itself. Better living and greater comfort for all the people of the United States will be the end result.

As the electrical era progresses, the future of all of us becomes brighter. The electric utility industry is proud of the services it has rendered to its customers and to the nation in the past, and is proud of the trust and confidence placed in it. We hope and believe that the American people will place similar trust and confidence in the privately-owned business-managed electric utility industry for their electrical future.

Miss Edna Moser

Miss Edna Moser passed away Jan. 30. Miss Moser, before her retirement last April, had been for 25 years a partner in the investment firm of Candee, Moser & Co.

Public Utility Securities

By OWEN ELY

Arizona Public Service Co.

Arizona Public Service serves ten of Arizona's 14 counties and covers about 40,000 square miles, reaching about 80% of the state's population. Natural gas is supplied in central and southern parts of the state, steam heat in Flagstaff and bus service in the Bisbee-Warren-Lowell area.

Arizona is one of the fastest growing states and the population gained 56% during 1950-58. A further gain of 70% by 1972 is indicated by projections of the Bureau of Census. The company itself has enjoyed phenomenal growth, with revenues quadrupling from $14 million in 1948 (pro forma to reflect a merger) to $56 million currently. Share earnings of $1.88 for 1958 compare with $1.01 in 1951; and the present dividend rate of $1.20 with 65c in 1948. In the postwar period load growth has averaged over 14% per annum.

More important activities in the service area include mining, cattle, farming, tourist trade and diversified industry. Total income of manufacturing concerns was $475 million in 1957, over four times that of 1947. Crops and livestock were $385 million in 1957, a gain of 105%. Mining income (despite unfavorable copper conditions in 1957) almost doubled in the ten-year period, and the tourist business was three times as great.

In 1957 the state was first in rate of bank deposit growth, growth of manufacturing employment, farm income and personal income, and was a close second in population growth. The mild climate, natural resources and varied transportation facilities together with an ample water supply should encourage continuing industrial development.

The company's revenues are about three-quarters electric and one-quarter gas with a negligible amount from other services. Electric revenues are 29% residential, 34% commercial and 33% industrial. Gas sales are about two-thirds residential.

Electric generating capacity approximates 389,000 kw. from owned or leased plants with an additional 176,000 available as purchased power under contract. Two major generating units are the Phoenix plant with a capacity of 145,000 kw. and the Saguaro plant with 200,000 kw. The remaining small plants are used for peaking and standby service. Important new plants under construction should reduce the use of purchased power as well as provide for additional growth. The Ocotillo plant will have a capacity of 220,000 kw. when completed in 1960; completely outdoor installation will cut construction costs and increase efficiency. The Yucca Plant is being built jointly by the company and California Electric Power, the latter company installing the first 80,000 kw. unit this year.

Arizona Public Service also expects to build a large-scale power plant located at or near a coal mine. Natural gas is currently being used by the four major plants, but they are largely convertible to other fuels. The company's electric and gas rate schedules contain automatic fuel escalation clauses designed to recover any increased cost of gas which is obtained from El Paso Natural Gas under a contract expiring 1968.

In the 12 months ended March 31, 1958 about 42% of electric power requirements were obtained from public power agencies (hydro power) as follows: 22% from the Sault River Project Agriculture Improvement & Power District, 13% from the Arizona Power Authority, 6% from the U. S. Bureau of Reclamation (Parker Dam) and 1% from other sources.

Construction expenditures were estimated at $32 million for last year, part of a $200 million five-year spending program required to keep abreast of anticipated growth. By 1962, the company anticipates, plant should approximate $375 million and revenues about $100 million.

The company has not had to do much equity financing recently. Three offerings of common stock were made in 1952-53 but since then there has been only one offering, late in 1955 (some additional shares have been issued for conversion of preferred stock, etc.). The company has enjoyed an increasing amount of internal cash generation as the result of larger-than-average depreciation charges, tax savings from accelerated amortization and fast depreciation, etc. Last June the company sold about $12 million preferred stock, making the capital structure approximately as follows:

	Millions	%
Long-term debt	$77	47.3
Preferred stock	31	18.8
Conv. $2.40 pfd. stock	9	5.6
Common stock equity (2,939,000 shares)	46	28.3
Totals	$163	100.0

The company appears to be in sound position from a regulatory point of view, rate of return on year-end net plant having averaged below 6% for some years.

Share earnings include the following approximate amounts of tax savings resulting from the use of accelerated depreciation, which savings were allowed to "flow through" to net:

1954	$0.04
1955	0.11
1956	0.21
1957	0.29
1958 (estim.)	0.36

At the recent over-counter price around 37 the stock yields 3.3% and sells at a price-earnings ratio around 21.

Three With Wm. R. Staats

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Thomas E. Moore, Walter E. Peter and Thomas Sidenberg have joined the staff of William R. Staats & Co., 640 South Spring Street, members of the New York and Pacific Coast Stock Exchanges. Mr. Moore was formerly in the trading department of Cantor, Fitzgerald & Co. Mr. Peter was with Morgan & Co.

Joins Walston Staff

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—David Aranoff has joined the staff of Walston & Co. Inc., 550 South Spring Street. He was formerly with Daniel D. Weston & Co., Inc.

Paul A. Just Joins Hugh W. Long & Co.

PALM BEACH, Fla.—Paul A. Just has joined Hugh W. Long and Company Incorporated as

Paul A. Just

regional Vice-President for the southeastern states, with headquarters at 226 Chilean Avenue.

Mr. Just was formerly Executive Vice-President of Television Management Corporation.

Earl F. Berry Joins Eastman Dillon Co.

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Earl F. Berry has become associated with Eastman Dillon, Union Securities & Co., 3115 Wilshire Boulevard. He was formerly with the trading department of the First California Company.

Peter P. McDermott To Admit J. McDonald

Peter P. McDermott & Co. on Feb. 19 will admit John Joseph McDonald, Jr., to partnership in the firm.

Sutro Adds to Staff

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Harvey Yatman has been added to the staff of Sutro & Co., Van Nuys Building.

Volume Projections for Various Industries

An industry by industry outlook appraisal for 1959 results in an optimistic overall expectation. Department of Commerce ascribes key elements of strength to automobile production recovery, construction, and increased steel output.

The Department of Commerce announces that the annual overall survey by its Business and Defense Services Administration indicates that industry looks optimistically to 1959 operations.

The outlook for some 75 industrial segments of the economy have been appraised by 24 industry divisions of the BDSA, Administrator H. B. McCoy said. The survey is a consensus of industry and government experts in each field. It summarizes specific industry reports on both outlook for 1959 and activities in 1958.

The expectation for improvement in 1959 is based primarily on the general strength of the economy, following its recovery from the 1957-58 decline.

Key elements in the anticipated improvement are automobile production, now estimated at 5.5 million after the 1958 low, a record construction estimate of $52.3 billion, and steel output figured at between 105 and 110 million tons.

The Industry-By-Industry Outlook Follows:

Automobiles: The skies are clearing in this industry whose operating level affects so vitally many segments of the U. S. economy. Industry estimates look to produtcion of 5,500,000 passenger cars in 1959, or 30% above the 1958 output of 4,240,000, lowest in a decade. The expected increase in automobile production would be reflected in increased markets for metals, glass, rubber, and upholstery leather. The automobile industry is the largest single customer for the output of these industries.

Better public attitude toward new-car buying, engineering and styling changes, a general upswing in the economy, and more stability in the industry itself because of the new labor contracts are the principal factors responsible for the optimistic outlook.

Trucks and Truck-Trailers: Low inventories of new and used vehicles and increasing tonnage movement by the trucking industry are major factors to which the commercial motor vehicle producers look for a strong market in 1959 after a disappointing 1958. Truck production should reach 1,000,000 units, a 20% increase over 1958 and truck-trailers, 56,349 units, a 21% increase over 1958. Truck manufacturers are facing stiffer competition in the export market.

Construction: The biggest single industry in the American economy is expecting to pass the $50 billion mark for the first time in 1959, with advance estimates putting construction spending at $52.3 billion, a 7% increase over 1958. This would reflect a new high in physical volume as well as dollar volume.

Private construction — largely housing—is expected to account for $35.2 billion of the total; public construction, including the highway program, is due to reach $17.1 billion. The prospective increase in private construction is figured at 4%; in public construction, 14%. Approximately 1.2 million new non-farm dwellings, public and private, are in sight for 1959.

Construction expansion will be reflected in increased expenditures for many building materials and in other allied lines.

Manufacturers of warm air furnaces and automatic heaters are optimistic for the 1959 market because of the building outlook.

Prefabricated Homes (Wood): The manufacturers of prefabricated homes expect to continue their gains in the housing market in 1959 and reach a new peak in output and sales. Production in 1958 is estimated at 61,000 units and for 1959, 64,000, largely for single-family occupancy.

Lumber: Based on the generally favorable economic outlook, the lumber industry expects production in 1959 to increase about 3.5% over the estimated 32 billion board-feet produced in 1958. Gross sales are expected to rise 6.6% and total lumber consumption about 3.8%. The anticipated level of residential construction is the biggest single factor in the optmistic outlook.

Softwood Plywood: This industry is expected to establish its 13th consecutive production record in 1959, with output in excess of 6.5 billion square feet (⅜" basis), an increase approximating 10% over 1958. Increased promotional activity aimed at diversification in market outlets is expected to help the industry.

Hardwood Plywood: Foreign competition continues to cut into the demand for domestic hardwood plywood, and the industry expects the downward trend to continue in the new year. Shipments in 1958 were estimated at 760 million square feet, surface measure, compared to 793 million in 1957 and 891 million in 1956. Consumption—domestic shipments plus imports — which had been growing, dropped 25 million square feet in 1958 to an estimated total of 1,602 million.

Electrical Equipment: A general strengthening of the electrical equipment market after a disappointing start in 1958 promises a 10% increase in sales in 1959 for a total of $6.5 billion. The industry covers transmission and distribution equipment, motors and control apparatus, lighting equipment, and electrical construction materials.

Increased generation of electrical energy and new construction are two of the leading factors in the anticipated build-up.

Iron and Steel. Generally-improved business conditions plus inventory build-ups are expected to push 1959 ingot production to 105 or 110 million tons. This compares with 85 million tons in 1958 and the peak production figure of 117 million tons in 1955.

The projected 1959 level assumes no major strikes in steel-producing raw material or steel-consuming industries. The three-year labor contract expires July 1, however, and this could inject a new element into the picture.

As the new year begins, ingot capacity will approximate 147 million tons, an increase of 6.3 million tons over Jan. 1, 1958.

Paralleling the ingot production expansion, increased activity also is in prospect for the forging, castings, and ferroalloys industries. Steel would be helped by the anticipated pick-up in construction and in automobile manufacture.

Steel prices are expected to remain more or less stable during the first half of 1959.

Machine Tools: This industry enters 1959 with prospects for moderate improvement over the disappointing year of 1958. Recession factors disturbed the industry during the past year, with the replacement market failing to come up to expectations, export activity declining, and imports continuing to offer serious competition to the domestic market.

Cutting Type Machine Tools: This segment of the industry operated at the lowest level of the past 10 years, with 1958 shipments approximating $410 million, or about 40.3% below the $793.3 million level of 1957. Gross new orders are estimated at $310 million, or about 42.4% below the 1957 level. It is estimated that 1959 shipments will approximate $420 million.

Forming and Shaping Type Machine Tools: Shipments for 1958 are estimated at $148 million, as compared with $258 million for 1957. Gross new orders are expected to approximate $115 million, or about 18% under the 1957 level. Shipments for 1959 are estimated at $155 million.

Electronics: Spurred by military and industrial needs, total electronics output in 1959 is estimated by $7.9 billion, a new record that exceeds 1958 levels by 14%. More than half goes to the military.

Consumer demand for radio and television receivers, phonographs, and other consumer products is expected to recover from the dip registered in 1958, while the output of industrial and commercial electronics equipment will follow the trends of the expanding economy.

Electronics sales in 1958 were only slightly below 1957.

Copper: With many important copper-consuming industries predicting an improved volume of business, the increased demand for copper and its products which appeared in late 1958 is expected to carry through the coming year. Supply and demand are due to come into better balance, and greater price stability consequently is in prospect. The copper and copper-base products supply situation is rated the best in years, due to expansion of mining capacity and mill facilities. In the past year, every segment of the industry showed a decline from 1957.

Lead and Zinc: Strengthened demand for lead and zinc is the 1959 forecast. For lead, the outlook is for consumption about 5% over the 1958 estimate of a million short tons—a figure 12% below 1957. Zinc usage is expected to be 8 to 10% above estimated 1958 consumption of 865,000 short tons—a falling-off of 7.6% from 1957.

Aluminum and Magnesium: Producers anticipate aluminum shipments in 1959 will be 20% or more above 1958, because of increased usage in normal channels of consumption, plus the growing demand for the metal in new products. Primary production approximating 1.6 million tons in 1958 runs about 6% below 1957, and shipments of mill products and ingots to consuming industries lag in about the same proportion. Recently announced stabilized prices will aid the industry.

The magnesium outlook also is good, with the upward trend in shipments of magnesium ingot, castings, and wrought products continuing. The growth may approximate 20%. Aircraft and missile programs stimulate demand.

Consumer Durable Goods: This diverse group of industries generally is optimistic for 1959, after a mixed record in 1958. Competition from imports is being felt in some quarters.

Manufacturers of household appliances—such items as washing machines, freezers, and vacuum cleaners—look for a 5% pick-up from 1958, which showed an 18% declined from the 1956 peak. Despite the slowdown in 1958—8% from 1957—sales remained high in comparison with other years generally.

The furniture outlook warrants "considerable optimism," according to the industry, with the downtrend apparently stopped after bringing 1958 manufacturers' shipments to less than 10% under 1957.

Widely diversified industrial, scientific, and household use along with the high level of income is expected to raise sales of pressed and blown glass products —excluding handmade glassware —to a new record. A 5% gain over

Continued on page 37

THE MARKET . . . AND YOU

By WALLACE STREETE

Stocks staged a selling climax at the end of a four day string of declines to start off this week and then promptly snapped back to make up around half of the lost ground but the feat was mostly a technical correction and was accomplished on a steadily dwindling turnover that robbed it of much possible significance.

* * *

About the only clearcut aspect in the performance was that buying support moved in around the 575 area where it had generally been expected to be found. The whole maneuver retraced less than 4% of the bull swing which is short of what would be a normal full-scale correction and did little to dispel the great amount of caution with which the market is being viewed in Wall Street. Time will be required to establish the fact that a solid floor has been reached, or that a new base further down the ladder is needed.

Volatile Issues

The high-priced, quality items were the ones that bore the brunt of the final selling, issues of the calibre of du Pont, Minnesota Mining and American Telephone; and were the ones that were first to rally on the rebound. Lukens Steel was a standout performer, able to make good progress when the rest of the list was retreating and then soaring when the general list was rebounding. The issue has been building up a following since it broke out of its range on the upside amid glowing reports of its going on to fantastic levels.

* * *

Unlike the various market barometers, the list was still studded with issues with above-average yields that have a long way to go before they are in position to joust with their previous peaks, even including du Pont which had nudged 250 in 1955 and even 237 in 1956 and hasn't been within a score of points of even the latter figure since. Joy Mfg., a leader in the mining machinery field, similarly has been hovering some two dozen points below its 1957 high although at recent levels its yield was in the 4% bracket.

Railway Equipments Favored

The railway equipment shares were in favor in many quarters, mostly because an upturn in the fortunes of the nation's railroads should logically benefit them handsomely. Maintenance expenditures and buying of new equipment were among the first to feel the recession pinch in the railroad business. Moreover, the rail equipments generally are selling even below book value which is the case in both Pullman and Alco Products, both of which offer an adequate 5% return.

* * *

ACF Industries, despite an occasional surge, has been available at a score of points under its 1957 high and a 5% yield. This company, more than the other rail equipment firms, has been pushing diversification aggressively and is now in material handling work, electronics and nuclear reactors. Earnings were sharply lower last year but a rebound this year seems to be assured. The issue was available last year at half of its book value of more than $80.

Motors Uncertain

Auto shares, except for American Motors which was given to moving widely but without too much overall progress, were still the unknown quantity and showed it by lolling around without much conviction. Some layoffs by General Motors hinted that the new models might not be getting a rousing greeting; Chrysler was still troubled for supplies of glass. Only Ford of the Big Three seemed to be perking along smoothly. Steel orders and operations were picking up nicely but, apparently, without important new demands from the auto front.

* * *

A candidate for a better dividend is Blaw-Knox, important supplier to heavy industry and the construction business. Earnings held up well last year, according to company estimates, covering the $1.40 cash payment more than twice over. The cash payment normally is larded with small stock payments. Moreover, a forthcoming acquisition of Aetna Standard Engineering will lift the company's earnings potential to some three times the cash requirement. The stock is one of those selling at a conservative price-earnings ratio. On projected earnings for this year the recent market price was only nine-times earnings.

* * *

The below-average price-earnings ratio in the rubber group is U. S. Rubber which has normally had a lower ratio than its competitors in part because of its larger outstanding issues of senior obligations. Here, too, the recent price is a dozen points under the high for 1956 with a comfortable dividend well into the 4% bracket.

Although the rail business is recovering generally, even

the quality issues in the carrier section weren't in much favor although, as in the case of Southern Pacific, there is the added note of a $20 million windfall dividend from its holdings of St. Louis Southwestern. With the help of this, which will add about $2.20 to reported earnings, some projections are for a $9 profit for Southern Pacific. Yet the stock lately has been hovering between seven and eight-times earnings and offering a return of well past 4½% despite the fact that the windfall makes Sopac a candidate for something in the way of a stock dividend as well as a better cash payout than the indicated $3, or one-third of this year's estimated results.

* * *

Union Pacific is also among the candidates for dividend improvement since it covered its payment twice over in the recession year of 1958, turning in a profit only a few pennies under that earned the year before. Operations point to a new high in earnings for this year, even without its oil revenues picking up importantly. The return on UP is one of the smaller for quality rails, around 4¼%, but obviously that picture would alter swiftly with any change in the present rate.

* * *

Food stocks have been rather neglected recently although some of the spotlight was turned in their direction when Standard Brands bobbed up as a stock-of-the-month selection by one service. Standard has had a quiet but steady upturn in per share profits since 1955, first time in the decade that it failed to improve on the previous year's results. Further growth seems assured and the company has been quick to reward shareholders when business is good, increasing its dividend twice last year. Despite this largesse, its recent yield of nearly 4% is still an above-average one for a quality item.

* * *

Fansteel Metallurgical, which could benefit importantly from the recent success in casting molybdenum, a hitherto balky metal, has shown the least response to the development. Throughout all of last year and this the issue has held in a range of around 14 points and hasn't made any serious attempt to reach its 1957 high. The company is a low-yielding item but its growth has been impressive, with profit ahead more than 400% in a decade. It has been busy expanding its facilities and is a large supplier to the electronics industry where the romance of the field has spurred wide, even illogical market movements.

[The views expressed in this article do not necessarily at any time coincide with those of the "Chronicle." They are presented as those of the author only.]

Chase Manhattan Group Offers Bonds of State of Washington

The Chase Manhattan Bank heads an underwriting syndicate which on Feb. 10 was awarded an issue of $25,000,000 State of Washington, General Obligation Institution Building Bonds, due Feb. 1, 1960 to 1979, inclusive. The group submitted a bid of 100.049999 for a combination of 4s, 3s, and 3.20s, representing a net interest cost of 3.17472% to the state.

Public reoffering of the bonds is being made at prices to yield from 1.80% to 3.25%, according to maturity.

Participating in the offering are: J. P. Morgan & Co., Inc.; Blyth & Co., Inc.; The First Boston Corp.; Harriman Ripley & Co. Inc.; Smith, Barney & Co.; The Northern Trust Co.; Harris Trust and Savings Bank; Seattle-First National Bank; Carl M. Loeb, Rhoades & Co.; Wertheim & Co.; Ladenburg, Thalmann & Co.

A. C. Allyn and Company Inc.; Alex. Brown & Sons; F. S. Moseley & Co.; Schoellkopf, Hutton & Pomeroy, Inc.; B. J. Van Ingen & Co., Inc.; Bache & Co.; City National Bank & Trust Co., Kansas City, Mo.; Clark, Dodge & Co.; Francis I. duPont & Co.; Fidelity Union Trust Company, Newark; Fitzpatrick, Sullivan & Co.

Ira Haupt & Co.; Hirsch & Co.; J. A. Hogle & Co.; W. E. Hutton & Co.; Laurence M. Marks & Co.; W. H. Morton & Co., Inc.; R. H. Moulton & Co.; Wm. E. Pollock & Co., Inc.; Shearson, Hammill & Co.; Swiss American Corporation.

Spencer Trask & Co.; Trust Company of Georgia; Bramhall & Stein; Harkness & Hill Inc.; The Illinois Co. Inc.; Northwestern National Bank of Minneapolis; Ryan, Sutherland & Co.; Stern Brothers & Co.; Tripp & Co., Inc.; Wood, Gundy & Co., Inc.

Two With Merrill Lynch

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio — Thomas L. Curran and Robert K. Schuster are now with Merrill Lynch, Pierce, Fenner & Smith, Incorporated, 216 Superior Avenue, Northeast.

St. Louis Municipal Dealers Annual Party

ST. LOUIS, Mo.—The St. Louis Municipal Dealers Group will hold their annual spring party April 29-May 1. The field day itself will be at the Sunset Country Club, May 1. A preceding opening will be held in the St. Louis Room April 29.

Floyd Beatty, A. G. Edwards & Sons, is General Chairman of the party.

Joins Bache Staff

(Special to THE FINANCIAL CHRONICLE)

COLUMBUS, Ohio—Ronald V. Howard has joined the staff of Bache & Co., 30 East Broad St.

Future of the Bank of England

By PAUL EINZIG

Commentator from Great Britain anticipates a Radcliffe Committee's recommendation that Bank of England's part-time directors be dropped, even though they were cleared of all charges of dereliction of duty. Dr. Einzig maintains that use of full time directors without any outside interests will isolate the Bank from the realities of economic life and make it impossible to forestall trouble in firms that are important to the economy. He hopes the present government will not mistakenly try to be more Socialistic than the Labor Government in urging the former not to try to steal Labor thunder by eliminating part-time directors.

LONDON, Eng.—When the Governor of the Bank of England, Mr. Cobbold, was recently reappointed, he made it plain that he may not wish to serve the entire term of five years. This was interpreted as foreshadowing the possibility of his resignation in the case of the advent of a Socialist Government. In view of the attitude of the Labor Party towards the Bank of England on the occasion of the inquiry over an alleged Bank Rate leak in 1957, it would indeed be difficult to visualize friendly collaboration between Mr. Cobbold and Mr. Harold Wilson, who will be Chancellor of the Exchequer in the next Labor Government.

Dr. Paul Einzig

For this reason alone, Mr. Cobbold may have considered it advisable to reserve the right to resign before his new term of office expires. There is, however, another reason. It is the anticipation of certain recommendations by the Radcliffe Committee, whose report on the currency system is now expected to be issued towards the middle of this year. Even though the Committee has not completed its deliberations, and its proceedings are a closely-guarded secret, several witnesses who gave evidence before it came away with the distinct impression that some key members of the Committee are strongly critical of the Bank of England and are in favor of recommending some drastic changes. This at any rate was indicated by the way these members of the Committee questioned the witnesses concerned.

Even though the members who disapprove of the Bank of England may constitute a minority, they include some highly dynamic personalities. As it usually happens on such Committees that their conclusions are influenced by a small number of dynamic members, it seems reasonable to expect that the report will contain recommendations that will displease the Bank of England. In particular, it is expected that the Radcliffe Committee will suggest the termination of the existing system under which the majority of the directors of the Bank of England are part-time directors whose main interest lies outside the Bank.

Until the late 'twenties all directors were merchant-bankers, but during the last 30 years or so a number of senior officials of the Bank were made full-time directors, and part-time directors now include representatives of other economic interest in addition to merchant banks. Even so, the merchant banking element continues to be represented to an extent that, as critics argue, is entirely out of proportion to the relative importance of merchant banks in the national economy. The Committee is not likely to confine itself, however, to recommending an increase in the proportion of industrialists and other non-bankers on the board of the Bank. It is credited with the intention of strongly advocating the abolition of the system of part-time directors altogether.

Part-Time Directors Were Fully Cleared

Such a recommendation would be fully in accordance with the wishes of the Labor Party. The Bank Rate leak affair was worked up mainly with the object of discrediting the system of part-time directors by conveying a suspicion that such directors are in the habit of making use of inside information for their personal gain. A thorough investigation of all transactions that preceded the Bank Rate change of September 1957 was carried out by a court of inquiry presided over by a senior judge (the present Lord Chief Justice) and its findings completely cleared the part-time directors of all such charges.

Even so, Socialists remained convinced that it is wrong to retain part-time directors. Whether or not the Radcliffe Committee will recommend the abolition of the system, it is safe to assume that the next Labor Government will take an early opportunity to lay down the rule that henceforth all directors of the Bank of England must be full-time directors with no outside interests. For there is a strong feeling among leading Socialists that so long as the present system continues the Bank of England is not really nationalized but is still under control of private interests.

In reality, all major decisions of policy are taken by the Government. Even though the Governor and other high officials are able at times to influence those decisions by their advice to the Chancellor of the Exchequer, their position in this respect does not differ from that of senior Government officials who have direct access to their Minister. Evidence given during the Bank Rate inquiry showed that the Governor is in the habit of consulting the part-time directors as well as the full-time directors about Bank Rate changes under consideration. But the decision whether to recommend a change to the Chancellor of the Exchequer rests with him, and in any case the Chancellor is at liberty to disregard his advice. The same is true about other important policy decisions. It seems, therefore, that the Socialists grossly exaggerate the alleged influence of part-time directors on the montary policy of the country.

These directors are of course in a position to influence the Governor and, through him, the Chancellor, by providing information about developments that are liable to influence policy decisions. Under the existing system a constant stream of information concerning the position in banking, industry, commerce, etc., reaches the Bank enabling the Governor to judge the situation and prospects correctly.

Should the part-time directors be removed, the Bank of England would find itself largely isolated from the realities of economic life. No matter how able the full-time directors are, their lack of direct contact with practical business outside the windowless walls of the Bank of England is bound to place them at a disadvantage. Even if some of the full-time directors were chosen among former bankers and businessmen, the practical experience they had gained before their appointment would be a wasting asset—they would gradually lose touch with the ever-changing situation.

Another Advantage

Nor is this all. Under the present system of Bank of England acts as a high-class clearing house for top-level business appointments. Whenever some important firm is in difficulties the Bank of England advises it and suggests the reinforcement of its board of directors. By such means it was possible during the postwar period to rescue many important firms, before the public even realized that there was trouble. The informal contact between the part-time directors and the Governor on the one hand, and between the Governor and the Chancellor on the other, is a great advantage, and it would be a great pity to terminate it.

Needless to say, the Radcliffe Committee is only too familiar with this line of argument. But some of its members at any rate are inclined to take a political view and to recommend the change because they feel that it is bound to be carried out in any case by the next Labor Government. It is to be hoped, however, that the Conservative Government would not implement any recommendation to that effect. For it is a mistake for a Conservative Government to try to be more Socialistic than a Labor Government. In doing so it would only force the next Labor Government to go even further in its measures against the present organization of the Bank of England than it would really wish to go. By doing away with part-time directors a Labor Government would satisfy many of its Left-wing supporters. But if this change is made by a Conservative Government then the Labor Government will have to do something more drastic to show its Left-wing supporters that it is more radical than its predecessor.

It is inconceivable that a Labor Chancellor of the Exchequer if forestalled in respect to the removal of part-time directors might place the hidden reserves of the Bank of England under Treasury control. When the Bank was nationalized in 1945 Socialists with inside knowledge were very pleased with the compulsory acquisition of the privately-owned stock at a price which did not even pay for the hidden reserves. But those reserves have been left in the possession of the Bank, so that if a private bank gets into difficulties the Governor is in a position to assist it without any publicity. He may consult the Chancellor of the Exchequer informally, but the transaction can be effected without any public discussion. On the other hand, if a Labor Government should assume control of the Bank's hidden reserves, any assistance would have to go through Parliament, and the inevitable publicity attached to it might do incalculable harm.

It would be, therefore, a grave mistake for a Conservative Government to steal the thunder of the next Labor Government by doing away with part-time directors. In doing so it would only induce the next Labor Government to do something much more radical and even more harmful.

With Ross, Borton

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio—Byron E. Kennel is now affiliated with Ross, Borton & Co., Inc., The 1010 Euclid Building.

Signing Documents on $40,000,000 Borrowing by Kingdom of Denmark

Count K. G. Knuth-Winterfeldt, Ambassador of the Kingdom of Denmark to the United States, is shown (seated, center) signing documents in New York City relating to the borrowing by Denmark of the equivalent of $40,000,000. The borrowings were effected through a public offering of $20,000,000 Kingdom of Denmark bonds by a New York underwriting group of investment banking firms headed by Kuhn, Loeb & Co.: Smith, Barney & Co.: Harriman Ripley & Co., Incorporated and Lazard Freres & Co., and through a $20,000,000 loan from the World Bank.

Participating in the signing ceremonies are, (seated, left), Bjorn Olsen, of the Danish Ministry of Finance, and (seated, right), Davidson Sommers, Vice-President of the World Bank. Standing, left to right, are John M. Schiff, Senior Partner of Kuhn, Loeb & Co.; Stuart F. Silloway, President of Harriman Ripley & Co., Incorporated; Charles J. Stewart, Partner of Lazard Freres & Co.; and Nelson Schaenen, Partner of Smith, Barney & Co.

National City Bank Reflects On Gold Price Rise Argument

New York bank concludes that raising the price of gold whenever gold reserves feel cramped reduces the gold price to "an index of the willingness of governments to inflate." Further, the bank notes the favorable coincidence between the long gold price stability from 1700 to 1931 and dynamic population and economic growth changes wherein there was no shortage in total money supply

This month's issue of the First National City Bank of New York's "Bank Letter" examines British economist Roy Harrod's prescription of $100 for an ounce of gold.

The "Letter" notes that "more talk of the need for an increase in the price of gold has been heard in London perhaps than anywhere else in the world, though the subject is also of major interest in South Africa, the leading gold producer. Ideas vary on how high the gold price should be raised; the most extravagant figure mentioned is the $100 an ounce proposal put forth by Professor Roy Harrod of Oxford.

"Curiously, all the discussion has ignored the longest range extant record of the price of gold, a chart of the London gold price reaching back 700 years to about the year 1250. The chart is found in the 1951 Annual Report of the Bank for International Settlements.

"The chart is worth some study. Most striking perhaps is the remarkably consistent upward trend in the price of gold from the Middle Ages up to the time of the founding of the Bank of England in 1694. The rate of rise works out to 0.38% a year compounded annually. Projecting this age-old trend produces for 1958 a price for gold in London of 250 shillings per ounce. It is an amazing fact that this is today—and has been since 1949—the ruling price in London. It is equivalent to the U. S. price of $35 an ounce after converting shillings at the official rate of 14 cents apiece.

"Thus, the current gold price, according to the trend of long history, would seem to be just 'right.' Raising it to 714 shillings an ounce, the sterling equivalent of Mr. Harrod's proposal of $100 an ounce, would be premature. Calculated from the trend, this would not be the right price for another 278 years."

Notes Favorable Coincidence

"Of special interest is the long period of stability in the London gold price, from around 1700 to 1931. Apart from upsurges during and after the Napoleonic Wars and the First World War when the British Government let the pound depreciate in terms of gold, gold remained steady at about 78 shillings an ounce. Coincidentally, this is also the period in which the Bank of England attained world-wide renown as banker to the world while Britannia ruled the seas.

"These 200 years of stability are especially impressive since they span a period in which population growth, world-wide economic development and industrialization, and expanding international commerce were producing a rapid increase in demands for money, far in excess of the expansion in the supply of gold. One might have thought that this would have increased the price of gold. What helped hold the gold price stable was the widening use of supplements to gold as money, in the form of paper currency and bank deposits. The supplements themselves were kept valuable by limiting their issue and making them convertible on demand into gold.

"Thus, essentially, it was old fashioned — Victorian — morality and caution which defied the trend for over 200 years and kept the gold price stable. People be-

lieved that in all but the most extraordinary circumstances payment on demand in gold was necessary as a point of national honor. They were willing to limit liabilities undertaken accordingly, and accept occasional painful periods of retrenchment and business failures whenever overambitious commitments reached an unsustainable level.

"Today, deflations are considered to be intolerable. All over the world governments have accepted responsibility for maintaining high levels of employment and production. This makes it all the more necessary to take timely action to check inflation before it gets rolling too fast."

Index of Inflation

"Determination to resist inflation can make deflations unnecessary. But if currencies are devalued whenever gold reserves feel cramped, the price of gold will simply become an index of the willingness of governments to inflate. And inflation, equally with deflation, brings social inequities and stresses and strains, upsets political stability, and undermines the functioning of markets for money and credit which are essential to orderly production and trade.

"No responsible government should want to raise the price of gold to heights which would create a monetary base for accelerating inflation and a flight from its currency."

W. M. Lendman Joins Granbery, Marache Co.

William M. Lendman has become associated with Granbery, Marache & Co., 67 Wall Street, New York City, members of the New York Stock Exchange, as Manager of the Sales Department.

Bankers Underwrite Conn. Lt. & Pow. Offer

The Connecticut Light & Power Co. is offering to holders of its common stock the right to subscribe for 762,565 additional shares of common stock at a subscription price of $22.50 per share on the basis of one new share for each unit of 10 shares or less held on Feb. 5, 1959. The company is also offering to employees of the company and its subsidiaries the privilege of subscribing for the new shares of common stock not subscribed for through the exercise of stockholders rights, at the subscription price of $22.50 per share. The subscription offer to stockholders will expire on Feb. 24, 1959, and the subscription offer to employees on Feb. 19, 1959.

The offering is being underwritten by a group of investment banking firms of which Morgan Stanley & Co., New York; Putnam & Co., Hartford, Conn.; Chas. W. Scranton & Co., New Haven, Conn.; and Estabrook & Co., New York and Boston, are managers.

Net proceeds from the financing, together with funds from internal sources, will be used by the Company to repay outstanding bank loans, to finance in part the Company's 1959 construction program and for other corporate purposes. It is estimated that the construction program will require expenditures of about $39,000,000 in 1959.

The Connecticut Light & Power Co., the largest electric and gas utility in Connecticut, is engaged principally in the production, purchase, transmission, distribution and sale of electricity for residential, commercial, industrial and municipal purposes within the State of Connecticut. Territory served by the Company with electricity, gas, or both, covers about 3,286 square miles, or 67% of the area of the state. The area served has a population of about 957,300, according to the 1957 estimate of the Connecticut State Department of Health, which is 41% of the state's population. About 86% of the Company's operating revenue for 1958 came from electric service, and the balance from gas service.

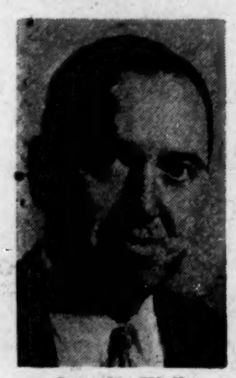
For the year 1958 the Company had total operating revenues of $77,954,000 and net income of $12,709,000, equal to $1.41 a common share after dividends on preferred stock. For the year 1957 the Company reported total operating revenues of $74,900,000 and net income of $11,258,000, or $1.21 a common share after dividends on preferred stock.

The Agricultural Outlook

By O. V. WELLS*
Administrator, Agricultural Marketing Service
U. S. Department of Agriculture, Washington, D. C.

Agricultural marketing official lists 1959 outlook commodity by commodity and surmises cash receipts from farm marketings as a whole should hold well in 1959 compared to 1958. And, despite certain income decreases, farmers' total realized net income should fare as well this year as in the year past. Mr. Wells reports estimated increase in Jan. 1, 1959, agricultural assets of $13.3 billion as against $2.4 billion increase in liabilities. He reviews some basic underlying problems; notes continuing rise in per-acre farmland values; believes farm surpluses will remain for some time; and calls attention to the fact that rising population will require balanced rate of farm production growth.

The opening paragraphs of our "Demand and Price Situation" released by the Agricultural Marketing Service, U. S. Department of Agriculture, last Nov. 12, 1958, summarize the agricultural outlook for 1959 as follows:



Oris V. Wells

"Prices received by farmers, which this year are averaging at their best level in five years, may show some decline in 1959, mainly because of lower prices for hogs. Although an increasing flow of products from farms will probably maintain total cash receipts from farm marketings, the elimination of acreage reserve program payments after 1958 and prospects for a further slight rise in production expenses could well bring a reduction of some 5 to 10% in realized net farm income, depending largely on the level of crop production next year. This year net income is running some 20% above 1957, and the highest in 5 years. As the economy continues to recover from the recent recession, the income which farm people get from nonfarm sources should increase. Off-farm income now provides about one-third of farm people's total net income.

"Underlying the agricultural outlook for 1959 are the prospects for: Increased consumer income and a stronger domestic demand for food and most other farm products; slightly reduced foreign takings of U. S. farm products in the current fiscal year compared with 1957-58, with exports again aided by extensive government programs; and continued heavy supplies of farm products generally, with wheat and feed grain supplies especially burdensome."

I shall organize my remarks around these summary statements and the "Commodity Highlights" which are included in the same report. These are as follows:

Prices of cattle will hold up well in 1959. Prices of hogs will decline considerably during the year and be much lower next fall than now. Prices of sheep and lambs will probably remain fairly stable.

Consumption of milk products in commercial outlets in 1959 probably will be more nearly in balance with milk production than in any of the past six years. A slight increase in milk output and in consumption are both probable next year.

Supplies of poultry meat will be larger and broiler prices lower in the first few months of 1959 than in the same months of 1958. Also, egg supplies will be larger until late summer, and prices are likely to be lower.

Supplies of all oilseeds and peanuts are abundant, and farm prices will likely average near support in the 1958-59 marketing year but less than a year earlier.

The total feed supply is 10% larger than in 1957-58. Feed grain prices are expected to average a little lower in 1958-59 than in 1957-58, reflecting both the larger production and slightly lower government price supports.

The carryover of wheat at the end of this marketing year next July may be over 400-million bushels higher than in July, 1958 and the largest in history. A further increase may occur in 1959-60. The supply of rye totals 47.2-million bushels compared with 36.4-million a year ago. Rice stocks are likely to be reduced during the current year. In 1957-58 the price received for rice averaged 34 cents above the support rate of $4.72 per cwt. This year it is again expected to be well above the support rate announced at $4.48.

Production of citrus fruits in 1959-60 will probably be up from this year; deciduous fruit production will be about the same, assuming average weather.

Supplies of canned vegetables available up to mid-1959 will be a little larger than last season and materially larger than the 1949-56 average. Heavy supplies of potatoes will be available at least into spring, and prices to farmers are expected to continue well below those of a year earlier.

The supply of cotton in 1958-59 is expected to total close to 20½ million bales. With exports of around 4 million bales and domestic mill consumption of around 8 million bales, the carryover into 1959-60 is likely to be a little below the 8.7 million bales carried over into the current marketing year.

Mill use of apparel wool, after declining since mid-1956 turned upward in early 1958, and with a further expansion of economic activity in prospect, consumption in 1959 will likely be up from 1958.

Cigarette output is likely to continue its upward trend as a result of an increase in population of smoking age and additional smokers among women. The utilization of tobacco, which turned upwards in 1957-58, is likely to increase further in 1958-59.

With economic activity rising, a stronger demand for pulpwood, veneer logs, and sawlogs is in prospect for 1959.

The downtrend in naval stores supplies is expected to continue in 1958-59. With production down a little more than domestic disappearance and exports, prices are likely to average higher in 1958-59 than last year.

Cash Receipts Outlook

In summary, cash receipts from farm marketings should be well maintained in 1959 as compared with 1958. Somewhat lower receipts for hogs and wheat are likely to be offset by larger receipts from other commodities. However, Soil Bank payments to farmers will be substantially reduced with elimination of the Acreage Reserve Program, which this year accounted for $700-million cash payments. Some part of this reduction will be offset by expansion of the Conservation Reserve Program. Further, increasing interest, tax, wage, and other costs will likely bring some increase in farm production expenses next year. Thus, some reduction in aggregate or total realized net income to farm operators from farming appears to be in prospect, although indications now are that many farmers will fare about as well in 1959 as has been the case in 1958.

Agricultural Balance Sheet

Perhaps I should also add a word about the estimated Balance Sheet of Agriculture for Jan. 1, 1959, as compared with Jan. 1, 1958.

The estimated value of all agricultural assets, including the farmers' financial assets, will run about $200-billion Jan. 1, 1959, as compared to $186.7 billion a year earlier. Liabilities against these assets are estimated at $22.6 billion for Jan. 1, 1959, as against $20.2 billion a year earlier. The estimated increase in assets is about equally divided between the value of farm land and estimated increase due to larger livestock and crop inventories, while the increase in liabilities is about equally divided between increase in nonrecourse Commodity Credit loans and increase in conventional commercial credit or farm mortgage debt.

Basic Problems

The main burden of this discussion has been the current agricultural situation and outlook for 1959. Meanwhile, there are some basic underlying problems which we also need to keep in mind, problems which have much to do with the current agricultural situation and which are likely to also continue with us for some time ahead. These are:

(1) The problems of the "inflationary creep."

(2) The problems associated with the new "economies of scale."

(3) The problem of "surplus" farm supplies.

The continuing increases in the nation's general cost structure have had more effect on farmers' costs over the last few years than on prices of products sold by farmers. Farmers must not only pay higher per-unit cost rates, but current technical advances are also such that farmers must increasingly use purchased rather than farm-produced resources. Further, the cost of handling, processing, and selling food and textile items is also climbing, which of course means increased consumer costs and sales resistance. All of this adds to the farm "cost-price squeeze."

Meanwhile, we are all acquainted with the speed-up in agricultural technology that has occurred in recent years. Significant economies in per-unit costs of production are possible not only in commercial farming but also in the assembling, processing, and selling industries handling farm products. In many cases, however, the new technology offers opportunity to cut costs only as size or scale of operations expands. Increasing the size or scale of operations not only has to do with the size of the farm, of the processing unit, or the retail market, but also leads into such fields as contract farming, agribusiness integration, and business mergers. In short, American agriculture and our whole food handling and marketing system is in the process of adjusting to a wholly new technology which places an increased premium on quality of product; size of operation; and, perhaps most important of all management skill.

One interesting factor in the farm situation is that per-acre farmland values continue to rise. I believe that one of the chief reasons for this over the last two or three years has to do with technical change and the individual farmer's desire to reduce costs by increasing the scale of operations—that is, an able farmer often finds himself with the machinery and management skills to handle an increased acreage or size of business as illustrated by the fact that about 40% of the farmland transfers last year were for purposes of farm enlargement.

Farm surpluses are likely to continue with us for some time. However, we recognize that this is a difficult continuing problem for which there is apparently no immediate single painless, costless, final solution. This is a sound frame of mind for considering what should be done. Perhaps I should also call attention to the fact that there is a tendency now to look not only at possible ways of controlling acreages or production, an approach that is not only difficult but sometimes has disastrous side effects, but also to look at possible ways and means of constructively using the surpluses themselves. Such uses certainly contribute far more to maintaining farm markets and increasing nonfarm income than would be the case were the commodities not produced.

Balanced Rates of Growth

Finally, I want to once again call attention to the fact that we do live in an expanding economy and that our farm problem is essentially one of balancing rates of growth—that is, of trying to see that the rates of increase in farm output are about in line with the rates of increase in demand. In addition to taking into account shortrun problems, we must also have policies which will assure adequate food for the American people as our population grows, recognizing that the rate of population growth may vary materially from time to time. I recognize that the introduction of these longer-run considerations further complicates the farm adjustment problem. But I assure you that our shorter-run problems are much more amenable to sensible management in an expanding economy, where the population and per capita standard of living are both increasing, than they would be were this not the case. Economic growth greatly facilitates the adjustment process: it means not only better markets for most products but also new employment opportunities for both capital and labor.

*An address by Mr. Wells before the 7th National Agricultural Credit Conference sponsored by American Bankers Association's Agricultural Commission, Omaha, Neb.

Wm. Chappell Aids Drive for Library

William B. Chappell will help The New York Public Library in its 1959 appeal for funds, it has been announced by Morris Hadley, Chairman of the drive.

W. B. Chappell

Mr. Chappell, who is Vice-President of First Boston Corporation, will enlist the aid of investment bankers and brokers in raising $500,000 for the Central Reference Library at Fifth Ave. and 42nd Street. He is one of a group of leaders of business and industry working to help the privately supported library balance its budget.

The goal of the current appeal represents the amount that must be added to the institution's income from endowment during the coming year if it is to meet operating expenses and maintain the high standard of service that has won it an international reputation.

Mr. Chappell pointed out that, while most New Yorkers are aware of the incalculable advantage of having access to this great research center, many do not know that it is a "public" institution only in the sense that it is freely open to the public; the sole support it receives from the city is for maintenance of the building.

The Library was created by public-spirited individuals more than a hundred years ago, and it has been continued and enabled to grow through the years by income from endowments and gifts. "It is hoped now, when rising costs are ever more rapidly gobbling up the Reference Library's available funds, that many more organizations and individuals who use and depend on its resources will come forward to help," said Mr. Chappell.

Wainwright & Ramsey Consultants on Huge Municipal Bond Issue

Wainwright & Ramsey Inc., 70 Pine Street, New York, consultants on municipal finance, have been retained as consultants to the Public Utility District #2 of Grant County, Washington, relative to the $200,000,000 financing for the construction and operation of the Wanapum Dam (Wanapum Development of the Priest Rapids Hydro-Electric Project on the Columbia River in Washington), it was announced by Wm. Schempp, President of the District's Board of Commissioners.

Construction bids for the Wanapum Dam, sister to and 18 miles upstream from the Priest Rapids Dam, will be let early in the summer and financing through a revenue bond issue will follow late in the summer or early in the fall this year.

The Board of Commissioners of PUD #2 Grant County, Washington, is comprised of Mr. Schempp, President; Paul Neihart, Secretary, and Geo. Schuster, Commissioner.

T. F. Bullen Jr. Now With Gruntal & Co.

Gruntal & Co., 25 Broad Street, New York City, members of the New York Stock Exchange, announced that Theodore F. Bullen is now associated with the firm as manager of the Investment Research Department. Mr. Bullen was formerly manager of the research department for Amott, Baker & Co. Incorporated and prior thereto he was with Goldman, Sachs & Co.

Named Director

Duncan Miller, of New York City, has been elected a Director of Electronic Communications, Inc., it was officially announced today. Mr. Miller is a Vice-President of the investment banking firm of Laird & Company, Corporation, of Wilmington, Del., and New York.

With Lee Higginson

Lee Higginson Corporation, 20 Broad Street, New York City, members of the New York Stock Exchange, have announced that Barry E. Thors has become associated with the firm as a registered representative in the New York office.

Substantiating Upturn Evidence Reported by Purchasing Experts

Purchasing executives latest report states there is a reasonable basis for expecting a moderate recovery from the recession. Most agents polled continue to contain or to reduce their stocks and believe that automation will definitely hold down labor costs.

The January reports of the executives of the National Association of Purchasing Agents substantiate the opinions expressed last month that there is a reasonable basis for expecting a moderate recovery from the uncomfortable recession of a year ago. Again this month, however, the consensus does not reflect any emphatic optimism in most industries. More new orders are being received by 46% of the purchasing agents who comprise the N. A. P. A. Business Survey Committee, whose Chairman is Chester F. Ogden, Vice-President, The Detroit Edison Company, Detroit, Mich., compared with 32% in December, while 39% are in an unchanged position. There is a reduction to 15% from the 21% who listed fewer new orders a month ago.

The better new-order status ties in with the production figures for the month, with 42% of the committee reporting on the up side against 35% in December. The number of those indicating less production is reduced to 13%, from 19% last month.

Commodity prices are under no great pressures, either way, with most items available in completely adequate supply. In view of plentiful goods, 76% of the committee members continue either to contain or to reduce their stocks.

The double-barrelled special question for the month was directed toward a measurement of average employment for 1959, together with what roles automation and other labor-saving devices might play toward holding labor costs down. Of those members responding, 47% think that employment will rise, 44% say no change, with 9% assuming less employment. There are 63% who believe automation will assist materially in holding down labor costs. In this area, many committee members warn, "Investigate carefully to be sure the end results will justify the costs."

Commodity Prices

In the pricing category, there seem to be no extreme pressures, either upward or downward. The survey reports this month reflect continued uncertainty and concern over the inflationary potential rather than over the imposition of any strong or general advances in the current levels. Just 28% point to increases, against 27% a month ago. There are 64% who show prices unchanged, and 8% are purchasing some items at lower prices than last month.

Inventories

"Purchased goods inventories," one of the more important of the "lagging" business change indicators, is outdoing itself in running true to form. Our survey reporters, again this month, indicate a considerable reluctance to add to their inventories. While the majority of businessmen acknowledge a reversal from the recessionary trend, only 24% of our committee members show a willingness to increase their inventories. There are 27% who report that they are still reducing stocks on hand.

Employment

Although our members report improvement in general business conditions, particularly in the steel and automotive areas, their statistics indicate no overall betterment in the employment picture. While 22% indicate a gain in their working force, identical with December, there are 14% of our reporters who show a decrease, compared with 11% showing a decrease last month. While most steel products and passenger car outputs are reported optimistically, these are counterbalanced by the seasonally poor performance in the road building and heavy construction industries.

Buying Policy

The percentages of change are so small from month to month that only by plotting the figures for the last 8 months is the very gradual lengthening of lead time in production materials and capital expenditures apparent. There has been no change in MRO supplies during this 8-month period.

	Per Cent Reporting				
	Hand to Mouth	30 Days	60 Days	90 Days	6 Mos. to 1 Yr.
January					
Production Materials	8	32	35	20	5
MRO Supplies	22	49	25	2	2
Capital Expenditures	10	8	16	25	41
December					
Production Materials	11	31	33	19	6
MRO Supplies	26	46	21	5	2
Capital Expenditure	11	6	13	23	47

Specific Commodity Changes

While prices generally are quite stable, there are a number of spotty price changes, both up and down. Some early inventorying of special steel alloys and sheets in anticipation of a steel strike this Summer is causing minor shortages of these items.

On the **up** side are: Copper, stainless steel bars, scrap, tin, zinc, rope, lumber, plywood, coal, oil, bearings and grinding wheels.

On the **down** side are: Lead, aluminum, vegetable oils, phthalic anhydride, naphthalene and phthalate esters.

In **short** supply are: Some steel alloys and sheets, helium and glass (temporarily, due to strike).

Public Inv. Co. Formed

KEW GARDENS, N. Y.—Public Investors Company has been formed with offices at 123-35 82nd Road to engage in a securities business. Partners are Bernard J. Breslaw and Bertha G. Breslaw. Both were formerly with Investors Planning Corporation and Sire Plan Portfolios.

Form S. Schramm Co.

S. Schramm & Co., Inc. has been formed with offices at 143 West 29th Street, New York City, to engage in a securities business. Officers are Sidney M. Schramm, President; Leonard R. Schramm, Secretary and Treasurer; and Sarah Schramm, Vice-President.

The Canadian Economic Outlook

By RT. HON. JOHN G. DIEFENBAKER
Prime Minister of Canada

Canada's Prime Minister summarizes "unmistakable signs" of renewal of economic growth in his country and expresses confidence that even industrial exports will pick up.

Like other countries of the free world, Canada has been definitely affected by the international recession which has depressed most world trading since late 1957. We have therefore been pleased in recent months to note the unmistakable signs of renewal of economic growth.

John G. Diefenbaker

Most spectacular has been the sharp increase in housebuilding, with starts substantially above the level in any preceding year. Consumer spending remained strong and in December, a broadening general improvement in industry was discernible. Inventory liquidation appeared to have ended, and more and more the full effect of continued market demand was calling forth new production.

Complete recovery has not yet been achieved but Canadians have good reason to look for better conditions in 1959 in keeping with improving conditions internally and general international recovery.

One important sector of our economy that remains to be revitalized is that producing industrial materials for export. However, as the economy of the free world quickens, sparked by the revival of the United States, this sector too is starting to respond to increased external demand.

New Tax Form for NASD Members

A new tax form has been prepared by the National Association of Securities Dealers, Inc. to be used by members in connection with the stock and bond transfer tax provisions of the Internal Revenue Code. Reference to the New York State tax law should be deleted by members outside the State; they may use instead the appropriate state transfer tax laws.

Toronto Bond Traders Annual Dinner

TORONTO, Canada — The Toronto Bond Traders will hold their annual dinner April 10 at the King Edward Hotel. John Lascelles, Dominion Securities Corpn. Ltd., is in charge of dinner arrangements.

Los Angeles Bond Club Elects Wm. S. Hughes

LOS ANGELES, Cal.—William S. Hughes, of Wagenseller & Durst, Inc., was elected Vice-President of the Bond Club of Los Angeles, Club President, Mark Davids, of Lester, Ryons and Company, announced following the organization meeting of Club directors. The Bond Club is an organization whose members are engaged in the investment securities business. Mr. Hughes has been active in the investment business in Southern California for the past 30 years. He served as Governor and National Vice-President of the Investment Bankers Association of America, and is also a former Chairman of District No. 2 of the National Association of Securities Dealers, embracing California, Nevada and Hawaii.

William S. Hughes

Form Harbor Securities

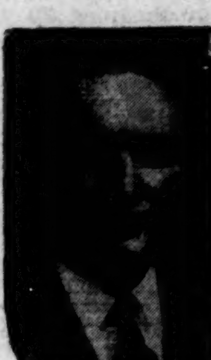
BAY HARBOR ISLANDS, Fla. —Harbor Securities Corporation has been formed with offices at 10043 East Broadview Drive to engage in a securities business. Officers are Lawrence Solverman, President, and Shari Silverman, Secretary-Treasurer.

Social Responsibility Acceptance Is a Corporate Must Today

By O. KELLEY ANDERSON*
Chairman, Institute of Life Insurance
President, New England Mutual Life Insurance Company, Boston, Mass.

Corporate acceptance of "social responsibility" is said to be an important corollary to profit making and the meeting of competition. In stating that this is one of the greatest business changes in the past twenty years, the insurance head opines that the firm "which ignores this will not prosper for long and may not survive." Proud of another change, Mr. Anderson recounts the growth of the life insurance industry and its paralleled stewardship growth. Explains how such social-economic changes as women's new economic status, increased labor force and labor income, spread of fringe benefits and home ownership, has aided and been aided by insurance industry

In the life insurance business we're accustomed to dealing with long-range statistics, for, as we all know, some of the decisions our actuaries and underwriters make today may not be reflected in our company's operating results until our grand-children come of age.


O. Kelley Anderson

Conversely, some of the factors which affect our business at present had their genesis back in the days of our grand-parents. . . . Although we are now beginning to take for granted the Institute's objectives and operations, I'm sure that many of these objectives would have been considered too radical for enactment prior to 1939. The same can be said about American business as a whole, for since that time, public relations has become a new supplement to traditional operating concepts.

Firm's Social Responsibility Objective

It is now generally acknowledged in almost all areas of our economy that a company's social responsibility is an important corollary to profit making and meeting competition. The business firm or institution which ignores this will not prosper for long and may not survive.

The transition to corporate acceptance of social responsibility represents one of the greatest of the many changes that have occurred in business over the past 20 years. It has special significance for our business, for it is closely related to the Institute's program.

One of the reasons life insurance has achieved wide recognition and high standing in American industry today can be attributed to its activities in the field of public interest, activities which have been helped materially over the past 20 years by the Institute of Life Insurance. This organization has conducted an outstanding public relations program since its inception and I'm confident we can look forward to its achieving greater success, public service and goodwill in the years ahead.

A look into the future is appropriate at any twentieth anniversary occasion. But in order to forecast with any degree of accuracy, a glance back is also in order. Let's look then at the social and political aspects of the economy as well as at our business itself. In retrospect, several facts stand out clearly:

(1) This has been a period of unprecedented change affecting virtually every area of our lives—personal, business, social, economic and political.

(2) Economically, the family unit has become less self-sufficient and has tended to depend more and more on its job. At the same time, a closer relationship has developed among individuals and groups in their social and economic affairs.

(3) Provided we exercise good judgment, public relations can increase our goodwill, service, effectiveness and our ability to meet the dislocations which change usually brings.

These facts have had an important effect on every individual in every business and every institution in our country. To evaluate them correctly we should start by studying more closely the specific events that brought them into being.

In 1939 America was walking into the shadow of history's greatest war; the preparedness effort was about to turn a manpower surplus into a shortage; the birth rate was low; the income level was also relatively low; deflation was one of our major economic problems; the great depression was barely behind us; business was operating under a cloud of public misunderstanding, ill-will and government scrutiny; women were home bodies except when necessity dictated they should become a second breadwinner; atomic power was still a formula on paper; except in New York restaurants, automation had not begun; as a nation we were inclined to be isolationists.

And now where do we stand on the threshold of 1959?

Fear of another war more terrible than any ever known keeps a divided world on nervous guard; in spite of heavy defense spending at home for the first time in many years we may face a manpower surplus; the birth rate is high as is the income level; we have enjoyed the biggest business boom in history; inflation is one of our major economic concerns; although under close government scrutiny, business is generally in good repute; career women form an important segment of our economy; and with the advent of television, automation, atomic power and moon rockets, our thinking and planning is gradually becoming more global in nature than isolationist.

Lists Significant Changes

In most respects, however, these conditions are material changes from those of two decades earlier and reflect the vastly different social and economic atmosphere of the business world. Hidden in each of these observations are further, more significant facts which account in part for this upheaval.

For example, we see that:

Women have achieved full stature in business as well as at home.

Twenty million new jobs have been created, half of them for women.

Disposable personal income per family has tripled.

American families have become migratory with more than 30,000,000 persons moving each year.

Farm population has declined one-third.

The population of America's suburbs and "interurbia" has nearly doubled.

Unlike 20 years ago, the bulk of all urban worker families have fringe benefit programs, while the number of these persons covered by pension plans has grown from less than a fourth to nearly half the total.

More than six years have been added to life expectancy at birth.

The share of the total population which has reached age 65 has risen 30% while the number of senior citizens has increased 75%.

The percentage of adult high school graduates has jumped 60%.

Families owning their own homes have increased by 50%.

Although this is a brief list, it does illustrate that in 20 years we have telescoped history, for our grandfathers or fathers would have expected to live a full lifetime to see most of these things accomplished.

This list, incomplete as it is, also illustrates how life insurance ties into social and economic changes. From each of these items, we can see a direct relationship to some of the basic trends in our own business.

Life Insurance's Growth

In these 20 years, life insurance assets have increase nearly fourfold; aggregate ownership of life insurance in the U. S. nearly fivefold; and annual purchases of new life insurance six-fold. During this period the rise in assets was three times the total built up in the entire previous history of our business. These are facts of which you are all aware, but they deserve to be restated at this time.

Much of this tremendous growth stems from the social-economic changes we mentioned or contributions to them.

Take the greatly enhanced economic status of women, for example: This has resulted in a startling increase in ownership of life insurance by women from a relatively small figure to the present total of more than $65 billion, also the creation of the family income plan and the family plan policies and more recently the widening interest in premium rates which give recognition to the relatively longer life span of women.

Then consider the effect of the increased work force and enlarged income which has more than tripled the average amount of life insurance owned per family and more than tripled the average size of the ordinary policy bought.

Fringe benefit growth, developed almost entirely since World War II, now accounts for a large portion of insurance in force through group life insurance, pension plans, salary savings plans and, of course, group health insurance plans.

Group life insurance has increased 12-fold in the past 20 years, while individuals covered by insured pension plans have increased seven-fold.

The large number of persons who now own their own homes has affected life insurance agency and investment departments. Mortgage insurance to assure the family clear title to their home in event of death of the owner accounts for a sizable volume of protection. Life company investments in home mortgages have grown from less than $6 billion in 1939 to more than $37 billion.

Here we can see the two-way street on which these social and economic trends meet. Life insurance has benefited in new business and investment opportunities from these developments, while home buyers and the whole construction industry have benefited from the important contribution made by life insurance.

As a matter of fact, if we turned to the investment side of the business, we would see a long list of similar situations. As the life industry has grown to be one of the important sources of institutional capital funds, it has become an important source of financing for many of our new developments creating turnpikes, shopping centers, industrial parks, gas pipelines, giant dams, and new jet aircraft to mention only a few. Equally important, today's life insurance assets reflect the capital funds back of several million jobs which result from this industrial and civic expansion.

Singles Out Settlement Contract

The insurance contract itself reflects in part our awareness of our new social responsibilities. Settlement options, for example, now apply to a large percentage of insurance in force. Admittedly they have a certain competitive sales value, but beyond that they represent one of our important public services, since they play a vital role in financial plans for millions of families. And yet, considered purely as a sales medium, we might have chosen to abandon them long ago.

Nevertheless, these illustrations show perhaps how far we have moved up this road of social responsibility and how widespread has been our acceptance of it.

Thanks to the efforts of the Institute over the past 20 years, from top management down through the rank and file of the business and out into the field I think all of us are seeking at all times to know what the public wants from life insurance and what it thinks about life insurance.

With this growing awareness has come a sobering recognition of the responsibility and challenge brought by the new and greatly enhanced stature of our industry. The stewardship of the pooled funds of millions of families is in our hands. For large numbers of these families the life insurance protection we provide is the only link to future financial security. This responsibility does not diminish with time but increases every year and will continue to be a challenge to our public relations consciousness. Just as we have tried to give growing and improved service to our client families year after year in the past, so also I'm sure we will recognize our responsibilities in this field in the future.

Good Business Citizenship

This growth of effort in the public interest, this development of a high level of good business citizenship has come about, I believe, because our public relations efforts have been channeled on a sound, broad philosophic approach and not a haphazard, opportunistic program. The best evidence of this belief is to review the printed proceedings of our past 19 annual meetings.

I would like to give a few facts that will describe the evolution of our public relations philosophy:

(1) The usefulness of the agent.

(2) The need for disseminating facts . . . presenting news, not publicity . . . absolute intellectual integrity . . . courage and truth.

(3) The fact that bigness is a fact of life in life insurance . . . that the business can best serve the public through competition . . . that there is no vestige of monopoly in the business.

(4) The fact that the life insurance public is many publics.

(5) The need for greater cooperation with an understanding by government as one of these publics.

(6) The introduction of advertising as an instrument of public relations.

(7) The need for the Institute providing leadership to the companies.

(8) The need for making public relations a function of top management.

(9) The need for good corporate citizenship.

(10) The fact that performance is the great fundamental base of all public relations.

This should be of vital importance in shaping our efforts for the 20 years ahead, both institutionally and individually.

*An address by Mr. Anderson made before the 20th Annual Meeting of the Institute of Life Insurance, New York City.

Thomas Phelan Named By Coast Exch. Division

Resignation of W. G. Paul as President of the Los Angeles Division of the Pacific Coast Stock Exchange, effective March 1, and


W. G. Paul Thomas P. Phelan

the election of Thomas P. Phelan, as President, has been announced by William H. Jones, Division Board Chairman, following an organization meeting of the Governing Board. Other officers elected were McClarty Harbison, Harbison & Henderson, as Vice-Chairman; A. R. Gilbert and Harry Z. Johnston, Dean Witter & Co., Assistant Vice-Presidents; P. J. Shropshire, Mitchum, Jones & Templeton, Secretary; and D. Roger Hopkins, Hopkins, Harbach & Co., Treasurer.

Mr. Paul, who will continue to serve as Administrative Consultant of the Exchange, has been President since 1946, after having served as Executive Secretary since 1934. He became a member of the Los Angeles Exchange in April, 1925, and was a specialist from 1928 until 1946 when he assumed full time administrative duties of the Exchange.

Mr. Phelan, the newly elected President, has served as Vice-President since 1947, and was made Executive Vice-President in 1951. He started his career with the Exchange in March, 1929, following graduation from UCLA when be became a clerk in the statistical department of the Los Angeles Curb Exchange. Following the merger of the Curb and Stock Exchange, he was made Manager of the Clearing House and later was in charge of listing and statistics and was Assistant Secretary from 1936 to 1940 when he became Assistant to the Vice-President of Production of Vultee Aircraft, Inc.

Form Shipper & Finney

FLORENCE, Ala.—Shipper and Finney, Inc., has been formed with offices at 212 East Alabama Street to engage in a securities business. Stanley E. Shipper is a principal of the firm.

Form Systematic Inv. Co.

Systematic Investors Company has been formed with offices at 106 Fort Washington Avenue, New York City, to engage in a securities business. Siegbert Oppenheimer is a principal of the firm.

Union Secs. Inv. Co.

MEMPHIS, Tenn.—Union Securities Investment Company is conducting a securities business from offices at 1503 Union Avenue. A. D. McClellan is a principal of the firm.

Puerto Rican Bonds Awarded

The Commonwealth of Puerto Rico on Jan. 28 awarded $20,-000,000 public improvement bonds, due 1960 through 1979, to a banking group headed by the Chase Manhattan Bank, J. P. Morgan & Co. and Ira Haupt & Co., and including Banco Credito y Ahorro Ponceno and Banco de Ponce.

Shown here, left to right: Roberto de Jesus Toro, Executive Vice-President of Banco de Ponce; Jose R. Noguera (seated), Secretary of the Treasury of Puerto Rico; Dr. Rafael Pico, President of the Government Development Bank for Puerto Rico; and E. A. Bird, Executive Vice-President of Banco Credito.

"Ike, the No. 1 Bond Salesman"—Rukeyser

President's efforts to calm down the "rock 'n rolls" enthusiasm for inflation commended by publicist. Warns against thoughtless appeasement of dictators.

The current tug of war between President Eisenhower, cast in the role of budget balancer, and the Congressional spenders will call for a re-definition of what constitutes "liberalism."

Merryle S. Rukeyser

This view was expressed by Merryle Stanley Rukeyser, economist and publicist, in a speech Jan. 30 before the Hi Hatters at the San Diego Club in San Diego, California.

"In trying to stop the erosion of the dollar through legalized larceny, sometimes called inflation, President Eisenhower may be repeating an historic service as significant as his invasion of Normandy. Ike is seeking a format for sustainable prosperity through a balanced budget and fiscal prudence. To the extent he succeeds, he will be savior of all fixed income groups, including pensioners, and those living on the proceeds of life insurance and on interest on bonds and mortgages.

A Sheer Illusion

"It is sheer illusion to regard the threat of oncoming inflation as a mere inconvenience against which you hedge by putting a larger ratio of your saved dollars into equities (stocks) instead of fixed dollar obligations (bonds, annuities and thrift accounts). I am second to none in my admiration of the shares of outstanding and well managed enterprises, but I know that the national economy will be disrupted unless there is a revival of demand for bonds. For the first time in nearly a decade, corporate bonds of the highest grade were recently yielding more than the average of 500 representative stocks.

"Without the ability to market bonds, the Federal Government, the states, the political subdivisions, including the local school districts, would indeed be in hot water. In trying to calm down the rock 'e rolls enthusiasm for inflation. Mr. Eisenhower has become the nation's number one bond salesman.

The Soviet Dilemma

Referring to the international stresses, Mr. Rukeyser, nationally syndicated financial columnist, author and business consultant, stated: "The Soviet Union's eager-beaver pressure for international conferences is motivated by a desire to escape from a basic dilemma. The inside story springs from the contradiction between the existing low civilian living standards in Russia and the new upsurge in science and technology. Up to now for 41 years the Bolshevik dictators have been deferring the promised millennium in Russia on the ground that it was necessary to concentrate first on tooling up and then on making munitions of war. The dictators are near the end of their rope on this type of argument, partly as a result of the new emphasis on education.

"The dictators find that they can't have it both ways. Dictatorship depends on having a docile population of stooges and boobs. The new emergence of educated and creative Russians is inconsistent with indefinite patience with substandard living conditions. The fancy schemes for military disengagement and disarmament are intended to correct a Russian budgetary situation unbalanced by undue use of the productivity of the Russian people in the channels of weapons of destruction.

"At best, the Bolsheviks can hope to gain time. Ultimately the new enthusiasm for education presages a domestic demand for democratic self government.

"The United States and the rest of the free world, in negotiations with the Soviet Union, should be aware of the hidden forces at work. Any thoughtless appeasement of dictators will tend to retard the constructive reform influences at work underground behind the Iron Curtain."

Bank and Insurance Stocks

By ARTHUR B. WALLACE

This Week — Insurance Stocks

RELIANCE INSURANCE COMPANY

At the time of its organization in 1812, this company was a mutual, and it became a stock corporation in 1820, making it one of our oldest insurance writers, as Fire Association, of Philadelphia. The Reliance Insurance Company had been one of the units in the Association fleet of companies. In 1950 Reliance and two other affiliates were merged with Fire Association, the parent company; and in early 1958 Association adopted the present title. It began business with a capital of $50,000, and it was not until 1917 that the $1,000,000 mark was attained.

However, growth since then has been more rapid, and at the most recent report, for 1957, it stood at $7,616,000. There have been not only mergers, but stock dividends and issues of rights. It is licensed to do business in all states and in Canada, and its agency plant numbers some 8,250 representatives. In 1850 it became a multiple-line writer when casualty lines were added to its other categories.

Considerable expansion in the casualty end of the business occurred when it acquired control of Eureka Casualty Company and, a little later, General Casualty Company, a Wisconsin company. Eureka was merged with the parent when the name was changed. Another unit, Hoosier Casualty, was acquired in 1958. The company's risks are well distributed geographically.

A break-down of its net premium volume for 1957 follows:

	%		%
Fire	27.7	Auto Bodily Injury	13.3
Extended Coverage	8.9	Auto Property Damage	6.2
Ocean Marine	4.6	Auto Physical	14.4
Inland Marine	5.6	Other	12.2
Workmen's Compensation	7.1		

Growth in premiums in the decade ended with 1957 was 131.5%. The average combined loss and expense ratio for the same period was 99.6%.

It is expected that there have been enough important rate increases to make themselves felt from now on.

A percentage break-down of assets as of the end of 1957 follows:

	%		%
Cash	3.7	Common Stocks	36.1
U. S. Gov't Obligations	24.1	Other Investments	2.8
Other Bonds	17.7	All Other Assets	9.5
Preferred Stocks	7.3	Market Adjustment	—1.2

Reliance's underwriting results in recent years have largely followed industry trends, while investment income has been steady. In the 10 years ended Dec. 31, 1957, profits or losses on security sales, together with the appreciation or depreciation of asset values held have netted Reliance $16,083,000, or at the rate of approximately $21.12 per share now outstanding.

Reliance's capital consists of 761,600 shares of $10 par value per share. The present dividend rate is $2.20 annually; and at its present approximate selling price of 55 on the American Stock Exchange, the yield is about 4.31%, a better than average return on an insurance stock. Pricewise, it has kept pace with the main body of fire-casualty stocks, on the theory that the industry has turned for the better after the serious losses in underwriting in the past three years.

Ten-Year Statistical Record — Per Share*

	Liq. Val.†	Adj. Und.	Invest. Income	Net After Taxes	Dividend	Price Range High	Price Range Low
1948	$62.84	$4.56	$3.08	$6.52	$1.85	45⅜	34
1949	79.97	9.00	3.34	8.87	1.85	58⅜	42½
1950	88.10	2.90	4.20	6.66	2.32	62	48⅞
1951	93.60	—0.39	4.28	3.56	2.32	56¼	47⅜
1952	102.14	2.19	4.35	5.86	2.41	67⅞	49½
1953	103.56	2.46	4.77	5.72	2.68	67	55¾
1954	71.22	—1.46	2.74	1.08	1.96	‡65	38⅞
1955	77.50	—0.12	2.97	2.79	2.19	59½	¶45⅝
1956	71.69	—2.37	2.82	0.36	2.14	56⅞	40¾
1957	64.55	—3.96	2.85	—0.90	2.20	45	30½

*Adjusted for 12% dividend paid in 1956, in stock, and for 20.77% in stock in 1950.

†On 240,000 shares in 1948; 340,00 shares 1949 thru 1953; on 680,000 shares in 1954 and 1955; on 761,600 in 1956 and 1957.

‡Old capitalization.

¶New capitalization.

Balance Sheet — December 31, 1957

ASSETS		LIABILITIES		
Real Estate	$2,454,642	Capital	$7,616,000	
Mortgage Loans	17,909	Surplus	27,119,397	
Bonds Owned	20,300,161	Conting. Res.	1,318,825	
Stocks Owned	51,799,496			$36,054,222
Cash	2,839,260	Losses		13,278,817
Agents' Balances	4,320,917	Loss Adj. Expense		1,429,037
Int. Accrued	169,761	Unearned Prem.		29,885,140
Other Assets	2,162,310	Accts. Payable		100,706
		Taxes Accrued		792,706
		Conting. Com.		225,000
		Other Liabilities		2,298,828
	$84,064,456			$84,064,456

Reliance has one of the longest records among American insurance companies. Payments have been made uninterruptedly for 100 years. Since organization the total cash has been $39,-218,000; stock $3,714,000.

Halsey, Stuart Group Offers Denver & Rio Grande Equip. Tr. Ctfs.

Halsey, Stuart & Co. Inc. and associates on Feb. 5 offered $2,-190,000 of Denver & Rio Grande Western RR. 4% equipment trust certificates, maturing semi-annually Sept. 1, 1959 to March 1, 1974, inclusive.

The certificates are priced to yield from 3.50% to 4.25%, according to maturity.

Issuance and sale of the certificates are subject to authorization of the Interstate Commerce Commission.

The issue is to be secured by 109 flat cars; 115 box cars and 28 covered hopper cars, estimated to cost not less than $2,920,000.

Associates in the offering are: R. W. Pressprich & Co.; Freeman & Co.; McMaster Hutchinson & Co.; and Peters, Writer & Christensen, Inc.

O'Toole Press Officer Of Chase Manhattan

Edward T. O'Toole has been named Press Officer of The Chase Manhattan Bank, George Champion, President, has announced. He is in charge of the press section of the bank's public relations and advertising department.

Before joining the bank in 1951 he had been a staff writer for "Cosmopolitan" Magazine, reporter and feature writer for the "New Hampshire News," Manchester, N. H., correspondent for "Newsweek" Magazine, and news commentator on a New England radio network.

Robert W. Hotchkiss With Bardon Higgins

(Special to THE FINANCIAL CHRONICLE)

DULUTH, Minn.— Robert W. Hotchkiss has become associated with Bardon Higgins Company, Torrey Building. Mr. Hotchkiss was formerly Vice-President of the First and American National Bank with which he had been associated for many years.

Three With Daniel Reeves

(Special to THE FINANCIAL CHRONICLE)

BEVERLY HILLS, Calif.—Betty J. Barber, Theodore R. Litwiller and Leon Rochlin have been added to the staff of Daniel Reeves & Co., 398 South Beverly Drive, members of the New York and Pacific Coast Stock Exchanges.

Monetary and Fiscal Controls To Meet Our Economic Goals

By YA-LUN CHOU
Associate Professor of Economics, Pace College, New York City

An industrial as well as academic economist, Dr. Chou suggests a program to overcome inadequacies said to exist in our monetary and fiscal practices which stresses an innovation in our personal income tax system. To our existing general monetary policy, the economist would add a battery of policies comprising permanent easy credit and selective credit controls. Regarding fiscal policy, he lays great stress on his proposal of flexible personal income system utilizing a "range-rate" instead of a "single-rate" system of taxes and a "Personal Income Tax Board for Stabilization." Depicts investment as the basic cure for inflation, gives monetary policy the job of facilitating capital formation, and calls for cooperation of labor and management.

The American private enterprise system is capable of doing many wonders; but it also has a serious inherent weakness. That is, its progress is characterized by an erratic course of economic activity. Furthermore, it is generally agreed that periodic inflations and depressions cannot be avoided without government intervention in the economy. It is perhaps in recognition of this that political leaders of both parties have accepted the thesis that a condition of continuous high level of employment at stable prices is a Federal responsibility.

Dr. Ya-lun Chou

President, Truman, in the introduction to his first *Economic Report*, submitted under the terms of the Employment Act of 1946, announced that the "job at hand is to see to it that America is not ravaged by recurring depressions and long periods of unemployment, but that instead we build an economy so fruitful, so dynamic, so progressive that each citizen can count upon opportunity and security for himself and his family." From his various pronouncements since 1952, President Eisenhower seems to be in agreement with the purpose of using all "practical means" to promote economic stability. For instance, in 1954 he said: "I give you this assurance: every legitimate means available to the Federal Government that can be used to sustain prosperity will be used."

However, despite these repeated assurances of promoting economic stability through government action, the American economy has been far from being stable. Since WWII, the general price level has increased by more than 50% and there have been already three recessions, the last of which was just over and which lasted more than 10 months and had more than five million unemployed. This unsatisfactory record indicates that the instruments available for the implementation of stabilization policy have failed to be effective.

What are the stabilization measures? How do they work? Why have they not been effective? How can a more effective stabilization policy be devised. These are the questions which this paper attempts to answer.

Current Stabilization Measures

Stabilization measures available can be classified into two kinds; namely, automatic stabilizers and discretionary policy. Automatic stabilizers are those economic institutions which have already been built into the economic structure since the Great Depression, such as the progressive and pay-as-you-go personal income taxes, unemployment insurance, farm price supports and so forth. These built-in stabilizers automatically tend to check economic activity when inflation threatens and to stimulate it when depression starts.

Discretionary policy centers around monetary-fiscal measures. Monetary policy is the central responsibility of the Federal Reserve System and its implementation is mainly through the devices of reserve requirement provisions, rediscount rates, and open market operations. The Federal Reserve System can also regulate purchases of securities and consumers' durables with its power of selective credit controls. Fiscal policy is the deliberate manipulation of government spending, tax collections and public debt to compensate or influence the private sector of the economy. As such, its application is a joint effort of a great number of government agencies which include the Treasury, the Bureau of Budget, the Federal Housing Administration, the Federal Security Agency, the Federal Deposit Insurance Corporation, the Federal Loan Agency, and others.

The purpose of built-in stabilizers is that they go to work automatically without factfinding and fresh policy decisions. Their effect, however, are limited to slowing down the processes of inflation and depression. They cannot themselves set a recovery or bring inflation to a complete halt. While the net contribution of automatic stabilizers to the reduction of fluctuation-swings should not be minimized and many advocate they should be strengthened and improved to do a bigger job, nevertheless, the promise of a positive stabilization policy still lies in discretionary devices. For this reason, the central attention of this paper will be directed to the discussion of discretionary policy.

Ineffectivenes of the Present Monetary Policy

The upshot of the general monetary policy is to tighten credit under inflationary pressure and to ease it in face of a downturn of prices and/or employment. Credit restraint is achieved by raising the rediscount rate so that borrowing becomes more expensive and by increasing reserve requirements and sales of government securities in the open market so that the availability of credit is reduced. Opposite actions are taken if easy credit is the objective. There is no denying that the Federal Reserve can readily increase or decrease the costs of borrowing and make credit plentiful or scarce; whereas whether a tightening or an easing of credit can produce desired response is entirely a different question.

There is little disagreement that an easy-money policy can neither prevent a slide into a depression nor bring about an upturn if there exists no profitable investment opportunity and if people cannot or do not want to increase consumption from borrowing because of mass unemployment. The Federal Reserve can make credit more plentiful and less expensive; but it cannot make the banks grant loans or the public borrow money. An often used analogy in this connection is that "You can lead the horse to the river, but you cannot make it drink the water." The most recent illustration of this is that the Federal Reserve decreased rediscount rates twice and released more than a billion and a half dollars of excess reserve by reducing reserve requirements during the last downturn, but a great portion of this excess reserve was used to purchase government securities instead of making new loans by the commercial banks. Clearly, monetary policy is wholely a negative and completely ineffective force in preventing or revising a depression. The only contribution that can be expected from easy credit in rescuing a downswing is the provision of financial potentiality for expansion if some favorable factor comes along to induce investment or stimulate consumption.

Tight Money and Price Rise

Even the common claim that monetary policy can be more effective in checking inflation is very doubtful. Worse still, a tight-money policy, if not prudently administered, may actually set a downturn of employment and output while failing to stop further price increases. The direct effect expected from general credit restraint is the reduction in consumption and investment spending from borrowed funds. This effect, even could it be realized, would not necessarily be consistent with the twin goal of stability, high level of employment and stable prices. Since inflation is essentially a process of the flow of goods and service running behind the flow of monetary expenditures, the basic solution for it is to spend up the flow of outputs. In the long run, increase in outputs depends upon improvements in technology which raise productivity. In the short run, the only feasible way to increase outputs is to increase production of investment-goods at the expense of that of consumer-goods. If high level of employment is to be maintained and simultaneously prices are to be held in line, such a change in the composition of production can only be achieved by a reduction in consumption expenditures first. Only then can productive resources be transferred from the consumer-goods to the investment-goods industries without pushing up costs. A general tight-money policy, which attempts to restrain both investment and consumption outlays, is thus not an appropriate prescription to cure inflation.

In the last analysis, furthermore, general credit restraint is almost helpless in discouraging consumption and its power to cut investment expenditures is very much limited and this limited success may become an active factor itself in causing a downturn. The hope that a tight-money policy can reduce consumption lies in that it discourages installment purchase of durable goods and encourages individal savings. But can it do these? With high level of employment and rising money income, people are usually confident of their future and they may not be restrained from purchasing durable goods on credit just because interest charges have increased 1 to 2 or even 3%. As will be mentioned later, a more effective device to restrain consumption spending on the installment basis is not high interest rate but the requirement of larger downpayments and shorter duration of repayment. The latter is a measure of selective credit controls that can be administered by the Federal Reserve, and it does not come under its general credit policy.

Would Savings Increase?

As to the proposition that tight credit may induce individual savings because people may fear that credit may become less available for emergencies or because savings become more attractive with rising interest rates, this is in reality wishful thinking in view of present-day conditions. Poor people do not save at all in times good or bad. Savings of the well-to-do have gradually been institutionalized — in forms of life and non-life insurance, mortgages on houses, and regular purchases of mutual funds or government bonds—a temporary rise in interest rate can hardly have any decisive effects upon their long run plans for savings. As for the rich, savings often are more or less automatic with them; their saving-decisions may be quite independent of interest. It may be interesting to observe: while tight credit may not necessarily encourage people to save more during prosperity, people may actually attempt to save more because of fear for insecurity when unemployment threatens even if interest rates are low. Could the report of all-time high individual savings during 1958 be a proof of this point?

Investment Experience

To a limited extent a general credit restraint may succeed in reducing investment expenditures by dampennig optimistic expectations of profits, by decreasing capital values of existing capital assets and by increasing costs of producing new equipments. However, as it has been pointed out earlier, this is exactly the wrong thing to have for relieving inflationary pressures. If investment outlays are reduced while consumption remains high (for employment remains high), inflation would certainly be worse instead of better, since now the flow of goods will decrease. If the decline of investment is great enough to cause prices to fall, there will certainly be mass unemployment on hand as well.

Moreover, the impacts of a general tight-money policy on investment spending are far from being general across the economy. As Professor John Kenneth Galbraith reasoned in his statement submitted to the Anti-Trust and Monopoly Sub-Committee, both the effects of higher interest and lesser availability of credit are felt by that sector of the economy where prices are market-controlled, but not by the industries in which only a few firms exist and prices are administered. Big firms can continue to borrow for investment at higher interest because this increase in costs can be passed on into higher prices. Whereas, in the more competitive industries, the small firms have to accept market prices as they are, and, therefore, have to forego their investment plans when costs of borrowing become prohibitive. Also, small firms will be the first to be rationed out of the credit market when credit becomes less available because they are less "credit-worthy" compared with the big ones.

There is little wonder that monetary policy alone has never been able to arrest inflation during the whole postwar era. In addition, it may have been one of the factors occasioning business failures of small firms at times of general prosperity and high profits. There is also reason to believe that this is why quite a few recent economic studies have attributed tight-money before Oct. 1957 as one of the most important factors for the most recent recession.

Proper Role of Monetary Policy

The conclusions that general monetary policy, as it has been used up to now, may do more harm than good in combating economic fluctuations does not mean that there should be no place for it in an over-all stabilization policy. As a matter of fact, monetary measures can contribute much to promote price stability and facilitate economic growth, if properly designed and wisely used. First of all, it should be recognized that it should not be used as a weapon for stabilizing price level; instead it should be employed solely for the purpose of facilitating capital formation. To do so, the Federal Reserve must always maintain an easy-money policy—always make credit available and costs of borrowing low—so far as investment demand for loanable funds is concerned. Capital formation is not only the substance from which economic growth is created, it is also the basic solution for avoiding inflation if high level of employment is to be maintained. Such a policy will also enable small and financially weak, but potentially important firms, to develop. Tight credit as a source of business failures will be lessened. Efficient management and consumers' preference will be, as they should, the main factors for success of business firms, whether large or small.

In addition, the power for selective credit controls in the hands of the Federal Reserve can also make some positive contribution in promoting economic stability. In contrast to general monetary policy which has been previously discussed, selective credit controls regulate specific uses of borrowed funds. These controlling powers are defined by Regulations T, U, W and X. Under the first two regulations, the Board of Governors of the Federal Reserve System can set the marginal requirements. Regulation W was used in the past to control the extension of credit for the purchase of automobiles and appliances by changing minimum downpayments and maximum periods of repayment. Regulation W operated in the same fashion during the Korean War to limit the purchase of new residences on credit.

When inflation threatens, a rise in the marginal requirements—an increase in the percentage of the market value of securities which has to be financed by the buyer's own funds—would discourage the use of liquid assets for speculation and thereby make available more funds for investment in plants and equipments. A decrease in the marginal requirements in a slump encourages the extension of credit for stock speculation which, in turn, may have a favorable effect upon business expectations and investment plans. Changes in the size of downpayment and maximum period of repayment would tend to influence consumers' spending on durables appreciably even if credit is plentiful and cheap, inasmuch as a few hundred or thousand dollars more or less for downpayment and a rise or fall in tens of dollars for monthly payments weigh heavily on the minds of most buyers.

Undoubtedly, selective credit controls can be quite effective in achieving the desired results in the few specified areas. Or, at least, they would not have the adverse impacts upon investment and aggregate economic activity that general credit restrain might have. Hence, these controls should be considered as the standing powers of the Federal Reserve and be used resolutely and promptly as dictated by economic conditions even in peacetime.

Need for Other Measures

A permanent easy-money policy can facilitate economic expansion in a slump if other factors favor-

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35th ANNUAL DINNER

At The Sheraton Plaza Hotel February 6, 1959

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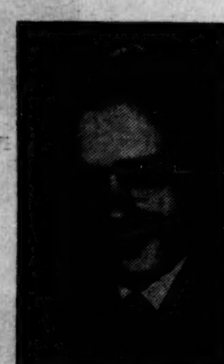

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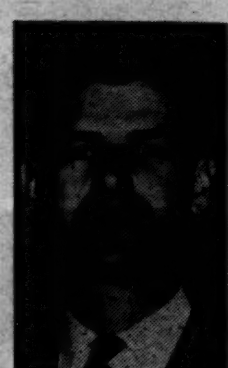

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AMERICAN STOCK EXCHANGE

RANGE FOR WEEK ENDED FEBRUARY 6

STOCKS American Stock Exchange	Par	Friday Last Sale Price	Week's Range of Prices Low	Week's Range of Prices High	Sales for Week Shares	Range Since Jan. 1 Low	Range Since Jan. 1 High
National Union Electric Corp	30c	2⅞	2⅝	3	11,500	2⅜ Jan	3¼ Jan
Neptune Meter common	5	34¾	33¾	34⅞	1,300	33⅜ Jan	36⅞ Jan
Nestle-Le Mur Co common	1	16⅛	13¾	16¼	7,000	13¼ Jan	16¼ Feb
New Chamberlain Petroleum	50c	1½	1½	1 9/16	12,500	1 1/16 Jan	1⅝ Jan
New England Tel & Tel	100	166	163½	166⅞	2,890	160 Jan	167½ Jan
New Haven Clock & Watch Co	1	2	2	2⅛	10,700	1⅞ Jan	2⅝ Jan
New Idria Min & Chem Co	50c	1½	1⅛	1½	155,000	⅞ Jan	1½ Feb
New Jersey Zinc	25c	27	27	27⅝	7,500	26⅝ Jan	28¾ Jan
New Mexico & Arizona Land	1	16⅞	16⅞	17⅞	2,500	15⅝ Jan	18¼ Jan
New Pacific Coal & Oils Ltd	20c	⅞	⅞	1	10,100	⅞ Feb	1 3/16 Jan
New Park Mining Co	1	2⅜	2	2⅜	66,700	1⅜ Jan	2⅜ Feb
New Process Co common	*	—	110	115	50	110 Feb	131 Jan
New Superior Oils	1	—	1 1/16	1 7/16	600	1 3/16 Jan	2 7/16 Feb
New York Auction Co common	*	20	18¼	20¾	6,800	17½ Jan	23 Jan
New York & Honduras Rosario	10	69	66	69	200	63 Jan	73¼ Jan
New York Merchandise	10	17¼	17¼	17¼	50	17¼ Feb	18 Jan
Nickel Rim Mines Ltd	1	1 1/16	1 1/16	1 3/16	27,900	1 Jan	1 13/16 Jan
Nipissing Mines	1	2½	2⅜	2½	800	2 3/16 Jan	2 11/16 Jan
Noma Lites Inc	1	12⅝	12⅝	14	6,900	11⅛ Jan	14¼ Jan
Norfolk Southern Railway	1	7¾	7½	7⅞	1,400	7⅛ Jan	7⅞ Jan
North American Cement class A	10	39	36⅜	40½	7,300	33 Jan	40½ Feb
Class B	10	39	36¼	40¾	2,035	34½ Jan	40¾ Feb
North American Royalties Inc	1	4⅝	4½	4¾	3,100	4¼ Jan	4⅞ Jan
North Canadian Oils Ltd	25	4⅝	4⅜	4⅞	43,700	3 15/16 Jan	4⅞ Feb
Northeast Airlines	1	6½	6⅜	7½	6,000	6¼ Jan	7⅞ Jan
North Penn RR Co	50	—	—	—	—	67½ Jan	72 Jan
Northern Ind Pub Serv 4¼% pfd	100	87⅝	87⅝	88⅞	250	86 Jan	88⅞ Jan
Northspan Uranium Mines Ltd	1	2¼	1 15/16	2¼	47,400	1 15/16 Feb	2⅝ Jan
Warrants		1⅜	1¼	1 7/16	24,500	1¼ Feb	1⅞ Jan
Nuclear Corp of Amer A (Del.)	10c	3	2¾	3¼	78,800	1¾ Jan	4¼ Jan
O							
Ogden Corp common	50c	19¾	19¼	20	17,800	18¾ Jan	22⅜ Jan
Ohio Brass Co common	1	—	37¼	38¼	1,100	37 Jan	39⅞ Jan
Ohio Power 4½% preferred	100	—	95	96¾	180	92¾ Jan	96¾ Feb
Okalta Oils Ltd	90c	1⅜	1 5/16	1⅜	1,200	1 3/16 Jan	1½ Jan
Old Town Corp common	1	—	2⅞	3⅛	1,500	2¾ Jan	3⅛ Feb
40c cumulative preferred	7	4⅝	4⅝	4¾	200	4¼ Jan	4¾ Feb
O'okiep Copper Co Ltd Amer shares	10s	75	74	76	660	68 Jan	76¼ Jan
Overseas Securities	1	18⅜	18	18⅜	200	16⅜ Jan	18 Jan
Oxford Electric Corp	1	8½	7	9½	75,300	5¼ Jan	9½ Feb
P							
Pacific Clay Products	10	—	35	35⅜	200	34⅝ Jan	37¼ Jan
Pacific Gas & Electric 6% 1st pfd	25	31⅜	31	31⅜	3,500	30½ Jan	31⅞ Jan
5½% 1st preferred	25	—	28½	29⅛	1,500	28 Jan	29⅛ Jan
5% 1st preferred	25	26½	26½	26⅝	300	25¾ Jan	27¾ Jan
5% redeemable 1st preferred	25	25⅝	25¼	25⅝	1,100	24⅞ Jan	26 Jan
5% redeemable 1st pfd series A	25	—	25¾	26	1,100	25 Jan	26¼ Jan
4.80% redeemable 1st preferred	25	24⅝	24½	24¾	800	24¼ Jan	26 Jan
4.50% redeemable 1st preferred	25	—	22⅞	23	300	22½ Jan	23⅝ Jan
4.36% redeemable 1st preferred	25	—	22	22⅝	300	21⅞ Jan	23 Jan
Pacific Lighting $4.50 preferred	*	91	90⅛	91½	690	88 Jan	91½ Feb
$4.40 dividend cum preferred	*	—	—	—	—	86½ Jan	88½ Jan
$4.75 dividend preferred	*	97½	97½	98¼	130	95 Jan	98¼ Jan
$4.75 conv dividend preferred	*	140	139	141½	320	134¾ Jan	143½ Jan
$4.36 dividend preferred	*	—	—	—	—	85¾ Jan	89¼ Jan
Pacific Northern Airlines	1	4⅜	4⅜	4⅜	3,600	3¾ Jan	5¾ Jan
Pacific Petroleums Ltd	1	17¼	17	17¾	19,100	17 Feb	19⅛ Jan
Warrants		11½	11½	12⅛	2,800	11½ Feb	13⅜ Jan
Pacific Power & Light 5% pfd	100	—	100	101	150	99 Jan	101 Jan
Page-Hersey Tubes common	*	35⅜	35	36	1,300	32⅝ Jan	36 Feb
Pancoastal Petroleum (C A) vtc	2 Bol	4⅞	4⅞	5⅛	19,300	4⅞ Jan	5¾ Jan
Pan Israel Oil vtc	1c	½	7/16	½	82,400	5/16 Jan	½ Jan
Pantepec Oil (C A) Amer shares	1 Bol	2	2	2⅛	14,900	1¾ Jan	2¼ Jan
Park Chemical Company	1	11⅛	9⅝	18	105,300	4¾ Jan	18 Feb
Parker Pen Co class A	2	15	14¾	15⅜	1,300	14⅝ Jan	15¾ Jan
Class B	2	14¼	14	14¾	6,300	14 Feb	14¾ Jan
Parkersburg-Aetna Corp	1	10¾	10¾	11⅝	4,800	8¾ Jan	12⅜ Jan
Patino of Canada Ltd	2	5¼	5¼	5½	2,200	4⅜ Jan	5¾ Jan
Peninsular Metal Products	1	9⅜	8⅛	9½	9,100	7⅞ Jan	9½ Feb
Penn Traffic Co	2.50	—	—	—	—	8⅛ Jan	9 Jan
Pep Boys (The)	1	—	6⅞	7¼	1,500	6½ Jan	7¼ Feb
Pepperell Manufacturing Co (Mass)	20	63	x62½	63¾	400	60¼ Jan	63¾ Feb
Perfect Circle Corp	2.50	24	23½	24	500	22½ Jan	24⅛ Jan
Peruvian Oils & Minerals	1	1 11/16	1½	1¾	26,400	1¼ Jan	1¾ Feb
Philips Electronics Inc	5	24⅝	24½	25¾	3,500	23½ Jan	28 Jan
Philippine Long Dist Tel Co	10 pesos	7	7	7¼	4,300	6½ Jan	7¼ Feb
Phillips Screw Co	10c	6⅝	6½	7⅜	3,300	4½ Jan	8⅝ Jan
Piasecki Aircraft Corp	1	10¾	9¼	11¼	8,500	9⅛ Jan	11¼ Feb
Pierce Industries Inc	1	10⅛	10	10¼	2,100	9⅝ Jan	11⅜ Jan
Pioneer Gold Mines Ltd	1	1⅝	1½	1⅝	9,700	1⅜ Jan	1⅝ Feb
Pittsburgh & Lake Erie	50	84	83½	84⅛	1,550	83½ Feb	86½ Jan
Pittsburgh Railways Co	*	10⅝	10⅝	11¼	2,200	10¼ Jan	11¼ Feb
Pneumatic Scale common	10	50	49	58	3,700	32 Jan	67 Jan
Poloron Products class A	1	3¾	3¾	4	1,400	2½ Jan	4⅞ Jan
Powdrell & Alexander common	2.50	12⅛	12⅛	12⅞	700	12⅛ Feb	13⅛ Jan
Power Corp of Canada common	*	68⅝	67½	69¼	1,575	63¾ Jan	69¼ Feb
Prairie Oil Royalties Ltd	1	2 15/16	2⅞	3	3,300	2⅞ Jan	3⅜ Jan
Pratt & Lambert Co	*	70	70	77½	350	61½ Jan	83 Jan
Prentice-Hall Inc common	1	20⅜	15¾	21	12,600	15¼ Jan	21 Feb
Pressed Metals of America	10c	1¼	1⅛	1½	233,200	⅝ Jan	1½ Jan
Preston East Dome Mines Ltd	1	6 9/16	6 9/16	7	12,900	6 5/16 Jan	7 Jan
P R M Inc	25c	—	10⅜	10⅜	200	10⅜ Jan	10⅜ Jan
Progress Mfg Co Inc	1	15½	15¼	15¾	1,700	14⅜ Jan	15¾ Feb
Prophet (The) Company	1	—	10⅞	11⅜	800	10⅝ Jan	11¾ Jan
Providence Gas	*	11¾	11⅝	11⅞	1,800	11⅜ Jan	11⅞ Jan
Public Service of Colorado—							
4¼% cumulative preferred	100	—	89	89	25	85⅛ Jan	90 Jan
Puerto Rico Telephone Co	20c	33¼	33¼	33¾	400	33¼ Feb	35¾ Jan
Puget Sound Pulp & Timber com	3	22⅛	22⅛	23¼	1,700	18⅛ Jan	24⅜ Jan
Pyle-National Co common	5	55	55	59⅞	2,600	46¼ Jan	60½ Jan
Q							
Quebec Lithium Corp	1	4½	4½	4 13/16	1,300	4⅜ Jan	5 Jan
Quebec Power Co	*	—	—	—	—	— —	— —
R							
Ramo Investment Co	1	—	25¼	25½	600	24½ Jan	25½ Jan
Rapid-American Corp	1	37	34½	38½	11,800	29 Jan	38½ Feb
Rath Packing Co common	10	23½	23⅜	24⅛	2,550	19¾ Jan	24⅞ Jan
Raymond International Inc	10	59¾	59¼	62	3,600	54½ Jan	62½ Jan
Reading Tube Corp common	1	12¼	12¼	13⅛	1,600	12¼ Jan	13⅝ Jan
$1.25 convertible preferred	20	23	23	23½	1,500	22⅛ Jan	24½ Jan
Reda Pump Co	1	21	20½	21	700	18½ Jan	22 Jan
Reis (Robert) & Co	1	1⅜	1¼	1½	7,300	¾ Jan	1½ Jan
Reiter-Foster Oil Corp	50c	⅞	⅞	1	9,500	⅞ Jan	1 Jan
Reliance Insurance Co	10	51	50¼	51	600	49 Jan	54⅜ Jan
Remington Arms Co Inc	1	12⅞	12¾	13¼	7,700	11⅛ Jan	13½ Jan
Republic Industrial Corp	1	8⅝	8	8⅞	37,700	8 Jan	8⅞ Feb
Resistoflex Corp	1	31½	31¼	34⅜	8,400	29 Jan	36¼ Jan
Richwell Petroleums Ltd	1	1 9/16	1½	1 9/16	14,000	1¼ Jan	1⅝ Jan
Rico Argentine Mining Co	50c	—	3⅛	3⅜	500	2¼ Jan	3½ Jan
Ridgeway Corp—							
Ex-liquidating distribution	1	—	9¼	9⅜	700	9⅛ Jan	9½ Jan
Rio Grande Valley Gas Co—							
Vtc extended to Jan 3 1965	1	4¼	4⅛	4¼	5,600	3⅞ Jan	4¼ Jan
Rochester Gas & Elec 4% pfd F	100	—	85	86½	120	82¼ Jan	86½ Jan
Rokeach (I) & Sons Inc	1	5	4⅞	5⅛	9,400	4¾ Jan	5½ Jan
Rolls Royce Ltd—							
American dep rcts ord reg	£1	—	—	—	—	14⅝ Jan	15⅜ Jan
Roosevelt Field Inc	1.50	7⅛	7⅛	8⅛	4,700	7⅛ Jan	8½ Jan
Roosevelt Raceway Inc	30c	5⅞	5⅝	5⅞	7,900	5⅝ Jan	6 Jan
Roxbury Carpet Company	1	18⅞	18¾	19¼	2,400	18¼ Jan	20¾ Jan
Royal American Corp	50c	3⅝	3⅜	3¾	3,400	3¼ Jan	3⅞ Jan
Royalite Oil Co Ltd	*	11⅜	11⅛	11½	5,000	11⅛ Feb	12⅜ Jan
Russeks Fifth Ave common	1.25	4⅛	3⅛	4⅜	20,200	2⅞ Jan	4⅜ Feb
Russell (The F C) Company	1	5½	5½	5¾	5,300	5½ Feb	6¼ Jan
Ryan Aeronautical Co	1	—	36	37¼	800	33½ Jan	40¼ Jan
Ryan Consolidated Petroleum	1	5	4⅝	5¼	17,100	4⅛ Jan	5¼ Feb
Ryerson & Haynes common	1	3¾	3⅝	3⅞	2,500	3⅜ Jan	4¼ Jan
S							
St Lawrence Corp Ltd common	*	18½	18¼	19⅜	9,000	17 an	19⅜ Feb
Salem-Brosius Inc	2.50	—	17⅝	18⅝	2,100	17⅝ Feb	19¾ Jan
San Carlos Milling Co Ltd	16 pesos	7⅝	7⅝	8	700	7⅝ Feb	8¼ Jan
San Diego Gas & Electric Co—							
Cumulative preferred 5% series	20	—	20¾	20¾	100	20¼ Jan	21 Jan
Cumulative preferred 4½% series	20	—	—	—	—	17½ Jan	17½ Jan
Cumulative preferred 4.40% series	20	18	18	18	100	18 Jan	18⅝ Jan
5.60% preferred	20	22⅞	22⅞	22⅞	100	22 Jan	23 Jan
Sapphire Petroleums Ltd	1	1⅛	1⅛	1 3/16	18,100	1 Jan	1½ Jan
Savoy Oil Inc (Del)	25c	9¼	9⅛	9⅝	3,600	7⅞ Jan	10⅜ Jan
Saxon Paper Corp	25c	5⅞	5¾	5⅞	500	5⅛ Jan	5⅞ Jan
Sayre & Fisher Co	1	6⅞	6⅞	7¼	2,500	5⅞ Jan	7⅜ Jan
Scurry-Rainbow Oil Co Ltd	50c	2	1 15/16	2 1/16	48,000	1⅞ Jan	2 11/16 Jan
Seaboard Western Airlines	1	11	11	11¾	4,800	10⅝ Jan	12½ Jan
Seaporcel Metals Inc	10c	2¼	2⅛	2½	6,500	2⅛ Jan	2½ Jan
Securities Corp General	1	1¾	1¾	2	1,000	1½ Jan	2 Jan
Security Freehold Petroleums	*	7 5/16	7 1/16	7 5/16	2,800	6 13/16 Jan	7⅜ Jan
Seeburg (The) Corp	1	15¼	14¼	16¼	29,600	13⅛ Jan	16¼ Feb
Seeman Bros Inc	*	30¼	29¼	31½	6,800	28¼ Jan	33⅞ Jan
Sentry Corp	10c	1	⅞	1	26,000	7/16 Jan	1⅛ Jan
Serrick Corp class B	1	13⅛	13⅛	14⅛	3,700	12¾ Jan	14⅜ Jan
Servo Corp of America	1	16¾	14⅜	16¾	6,200	14⅝ Feb	19⅜ Jan
Servomechanisms Inc	20c	9¼	9⅛	9⅝	4,300	9⅛ Feb	10⅜ Jan
Seton Leather common	*	—	—	—	—	35 Jan	35 Jan
Shattuck Denn Mining	5	7	7	7⅜	1,400	6⅝ Jan	7⅜ Jan
Shawinigan Water & Power	*	—	32⅝	33⅛	600	32⅝ Jan	36¼ Jan
Sherman Products Inc	1	4¼	4⅛	4⅜	2,500	3⅜ Jan	4½ Jan
Sherwin-Williams common	25	199¾	192½	205	2,000	192½ Feb	250 Jan
4% preferred	100	95½	95½	96	110	94½ Jan	97 Jan
Sherwin-Williams of Canada	*	—	53¼	54	275	49 Jan	54 Feb
Shoe Corp of America common	3	—	22⅛	22⅛	400	19⅞ Jan	23¾ Jan
Siboney-Caribbean Petroleum Co	10c	13/16	11/16	⅞	29,900	⅝ Jan	15/16 Jan
Sicks Breweries Ltd	*	—	—	—	—	33 Jan	36 Jan
Signal Oil & Gas Co class A	2	41⅛	41⅛	43¼	8,300	38 Jan	44 Jan
Class B	2	—	44	44	50	42¼ Jan	46 Jan
$1.25 preferred	25	—	25	25	200	24¼ Jan	25½ Jan
Silex Co common	1	3¾	3½	3⅞	2,400	2⅞ Jan	4¼ Jan
Silver Creek Precision Corp	10c	3	2⅞	3	163,500	1¾ Jan	3¼ Jan
Silver-Miller Mines Ltd	1	—	9/16	11/16	20,800	9/16 Jan	11/16 Jan
Silvray Lighting Inc	25c	5½	5⅜	5⅞	6,300	5⅜ Feb	6⅛ Jan
Simca American Shares	5,000 fr	10⅛	10⅛	10⅜	5,100	9⅞ Jan	11⅛ Jan
Simmons-Boardman Publications—							
$3 convertible preferred	*	38	36	38	150	34 Jan	38 Feb
Simpson's Ltd common	*	35¼	34¾	35¼	1,100	33⅜ Jan	35½ Jan
Sinclair Venezuelan Oil Co	1	—	175	180	60	174 Jan	187 Jan
Singer Manufacturing Co	20	49⅛	48¼	50	7,700	47⅜ Jan	54⅞ Jan
Singer Manufacturing Co Ltd—							
Amer dep rcts ord registered	£1	5 15/16	5⅞	6	3,300	4 Jan	13 Jan
Skiatron Electronics & Telev Corp	10c	7	6¼	7⅜	43,900	5⅜ Jan	7⅜ Feb
Slick Airways Inc	5	4½	3¼	4½	16,200	3 Jan	4½ Feb
Smith (Howard) Paper Mills	*	—	45	45	100	41¾ Jan	45¾ Jan
Sonotone Corp	1	9⅞	9⅝	10⅜	13,100	9⅝ Feb	12¼ Jan
Soss Manufacturing common	1	7⅞	7¾	8⅝	2,900	7¾ Jan	9 Jan
South Coast Corp common	1	21⅜	21⅜	22	400	20⅛ Jan	23½ Jan
South Penn Oil Co common	12.50	37½	37⅛	37⅝	2,000	36½ Jan	37⅝ Jan
Southern California Edison—							
5% original preferred	25	—	56	56¾	290	56 Jan	59 Jan
4.88% cumulative preferred	25	25½	25½	x26	500	24½ Jan	26 Feb
4.78% cumulative preferred	25	24¾	24½	24¾	600	24⅜ Feb	25½ Jan
4.56% convertible preference	25	—	54¾	54¾	100	54¾ Feb	55¼ Jan
4.48% convertible preference	25	—	50¼	50½	400	50 Jan	51¼ Jan
4.32% cumulative preferred	25	22¾	22½	23⅛	1,100	21⅝ Jan	23⅛ Jan
4.24% cumulative preferred	25	—	21¼	21¾	200	21¼ Jan	22 Jan
4.08% cumulative preferred	25	—	21¼	21¼	200	20½ Jan	21¼ Jan
Southern California Petroleum Corp	2	5⅛	5⅛	5⅜	900	4½ Jan	5⅞ Jan
Southern Materials Co Inc	2	12⅞	12½	12⅞	1,100	11⅝ Jan	13¼ Jan
Southern Pipe Line	1	10	10	10¼	600	8⅛ Jan	10¾ Jan
Southland Royalty Co	5	81	81	82	300	80 Jan	84 Jan
Spear & Company	10c	3⅜	3⅛	3¾	43,100	2½ Jan	4⅜ Jan
Spencer Shoe Corp	1	13⅞	12⅜	13⅜	3,900	11⅝ Jan	14⅜ Feb
Sperry Rand Corp warrants		9⅞	9⅝	10⅝	25,600	9⅝ Feb	11½ Jan
Stahl-Meyer Inc	*	—	7¼	9¼	3,600	4½ Jan	9⅜ Jan
Standard Dredging Corp common	1	17⅛	16⅝	17⅝	4,000	14⅝ Jan	17⅞ Jan
$1.60 convertible preferred	20	—	27¼	27⅞	200	26½ Jan	28 Jan
Standard Financial Corp	1	8½	8⅜	8½	2,400	8¼ Jan	8⅝ Jan
Standard Forgings Corp	1	—	16⅛	17	1,200	16⅛ Jan	18¼ Jan
Standard Oil (Ky)	10	70¼	69	70½	1,400	64¼ Jan	70½ Feb
Standard Products Co	1	13¼	13¼	13¾	1,500	12⅝ Jan	13⅞ Jan
Standard Shares Inc common	1	23⅞	23⅞	24⅛	1,800	23¼ Jan	24⅜ Jan
Standard-Thomson Corp	1	4½	4¼	5	3,000	4¼ Feb	5¾ Jan
Standard Tube class B	1	7⅝	7½	7⅞	2,000	7 Jan	7⅞ Jan
Stanrock Uranium Mines Ltd	1	1¾	1 11/16	2 1/16	18,500	1 5/16 Jan	2⅛ Jan
Starrett (The) Corp	1	4	3⅞	4⅛	6,100	3⅝ Jan	4¼ Jan
50c convertible preferred	50c	13	12	13	900	11¼ Jan	13 Feb
Statecourt Enterprises Inc	25c	—	—	—	—	6 Jan	6 Jan
Statham Instruments Inc	1	24¼	23⅞	25⅞	1,200	23 Jan	27⅝ Jan
Steel Co of Canada ordinary	*	—	75½	75½	225	71 Jan	79¾ Jan
Steel Parts Corporation	5	—	7	7⅜	300	6 Jan	7⅞ Jan
Stein (A) & Co common	*	—	15⅞	16	200	15½ Jan	16⅛ Jan
Sterling Aluminum Products common	5	18⅛	18⅛	19¼	900	18 Jan	21½ Jan
Sterling Brewers Inc	1	—	16⅛	16⅛	100	15¾ Jan	16⅛ Jan
Sterling Precision Corp (Del)	10c	4⅝	4½	4⅞	79,800	3 Jan	4⅞ Jan
Stetson (J B) common	*	—	21½	21½	700	20 Jan	21½ Jan
Stinnes (Hugo) Corp	5	—	33⅝	34	600	33½ Jan	34⅞ Jan
Stone Container Corp	1	—	21⅞	22¾	1,200	21⅝ Jan	22⅞ Jan
Stop & Shop Inc	1	37⅛	36¼	37⅛	400	33⅛ Jan	37¼ Jan
Stroock (S) & Co common	*	—	15⅜	16½	3,900	14½ Jan	16½ Feb
Stylon Corporation	1	3⅞	3¾	4⅛	8,400	3 Jan	4⅜ Jan
Sun Ray Drug common	25c	—	22¾	23½	1,100	21 Jan	23⅞ Jan
Sunrise Supermarkets Corp	1	—	20½	20½	100	19½ Jan	20⅞ Jan
Sunset International Petrol Corp	1	4½	4½	4⅞	10,500	4¼ Jan	5⅞ Jan
Superior Tool & Die Co	1	3⅞	3⅞	4¼	2,100	3¾ Jan	4⅜ Jan
Symington Wayne Corp warrants		7	6½	7¼	13,600	6⅜ Jan	7⅛ Jan
T							
Talon Inc class A common	5	16¼	16⅛	16¾	1,100	14⅝ Jan	18 Jan
Class B common	5	14¾	14¾	15¼	1,100	14¼ Jan	15⅞ Jan
4% cumulative preferred	10	8	8	8½	300	8 Jan	8½ Feb
Tampa Electric Co common	7	42	42	43	1,900	42 Feb	46 Jan
Technicolor Inc common	1	8¼	7½	8½	41,900	7¼ Jan	8½ Feb
Tel-A-Sign Inc	20c	3⅛	2⅞	3⅝	20,600	2¼ Jan	3⅝ Feb
Teleprompter Corp	1	9½	9¼	9⅞	1,300	9 Jan	10½ Jan
Television Industries Inc	1	6	6	6½	2,900	4⅞ Jan	7¼ Jan
Tenney Engineering Inc	10c	13⅞	13¼	14¾	8,600	12½ Jan	16¾ Jan
Texam Oil Corporation	1	1⅞	1⅞	2	3,500	1⅞ Jan	2⅛ Jan
Texas Calgary Co	25c	½	⅜	½	46,700	⅜ Jan	½ Jan
Texas Power & Light $4.56 pfd	*	—	—	—	—	91¾ Jan	95 Jan
Thew Shovel Co common	5	25½	25¼	26½	2,300	25¼ Feb	28⅜ Jan
Thompson-Starrett Co Inc	10c	3	2¾	3	51,200	1⅞ Jan	3⅜ Jan
70c convertible preferred	10	12¾	12⅜	13	2,700	8⅞ Jan	13¾ Jan
Thorofare Markets Inc	25c	34	34	34¾	2,400	32 Jan	34¾ Feb
Thriftmarket Inc	1	34	33¾	36	3,000	32¼ Jan	36 Jan
Tilo Roofing Inc	1	19⅝	19½	19⅞	3,700	17¾ Jan	20⅜ Jan
Tobacco Security Trust Co Ltd—							
Amer deposit rcts ord registered	£1	—	—	—	—	8¾ Jan	8¾ Jan
Amer deposit rcts def registered	5s	4	4	4	400	3¾ Jan	4 Feb
Todd Shipyards Corp	20	35½	35½	36⅛	600	35½ Jan	36¾ Jan
Toledo Edison 4¼% preferred	100	88	88	88	100	84½ Jan	89 Jan
Tonopah Mining of Nevada	1	2¾	2¾	2⅞	1,500	2¾ Feb	3⅛ Jan
Tower Acceptance Corp class A	1	6½	6½	6¾	2,400	6⅜ Jan	7⅝ Jan
Trans Caribbean Airways class A	10c	—	14	15⅛	2,900	13¾ Jan	20½ Jan
Trans Cont Industries Inc	1	2⅛	1⅝	2⅜	56,100	1½ Jan	2⅜ Feb
Trans Cuba Oil Co class A	50c	¾	¾	⅞	37,100	⅝ Jan	1 Jan
Trans Lux Corp	1	—	8½	8⅞	1,900	7 Jan	8⅞ Jan
Triangle Conduit & Cable Co	*	34¼	34¼	36	1,200	29⅛ Jan	37¼ Jan
Tri-Continental warrants		27⅞	27⅜	28⅜	41,900	27⅜ Feb	30⅜ Jan
True Temper Corp	10	20½	19¾	20⅞	1,600	19 Jan	20⅞ Jan
Trunz Inc	*	—	37	42½	90	34 Jan	42½ Feb
Two Guys from Harrison Inc	10c	9⅝	9¼	10¼	3,000	9¼ Jan	10½ Jan

For footnotes see page 33.

AMERICAN STOCK EXCHANGE

RANGE FOR WEEK ENDED FEBRUARY 6

STOCKS American Stock Exchange	Par	Friday Last Sale Price	Week's Range of Prices Low	High	Sales for Week Shares	Range Since Jan. 1 Low	High
U							
Unexcelled Chemical Corp	5	8¾	8⅝	9	2,500	7¾ Jan	10¼ Jan
Union Gas Co of Canada	*	--	17½	17¾	600	17½ Feb	17¾ Feb
Union Investment Co	4	10⅜	10	10⅜	2,600	10 Feb	11⅛ Jan
Union Stock Yards of Omaha	20	--	24¼	24¼	100	23½ Jan	24½ Jan
United Aircraft Products common	50c	8	7¾	8⅛	8,800	7⅝ Jan	8½ Jan
United Asbestos Corp	1	6⅛	6⅛	6 11/16	21,600	6⅛ Feb	7 1/16 Jan
United Canso Oil & Gas Ltd vtc	1	1⅞	1 13/16	2	6,500	1 13/16 Jan	2 1/16 Jan
United Cuban Oil Inc	10c	11/16	9/16	11/16	30,300	9/16 Jan	¾ Jan
United Elastic Corp	*	35½	35	37⅜	500	35 Feb	49¾ Jan
United Milk Products common	5	--	4⅜	5⅛	400	4⅜ Jan	5⅛ Feb
United Molasses Co Ltd—							
Amer dep rcts ord registered	10s	--	--	--	--	4¾ Jan	5⅛ Jan
United N J RR & Canal	100	182¾	182¾	182¾	10	180 Jan	182¾ Jan
U S Air Conditioning Corp	50c	6¼	6¼	7	2,500	4⅝ Jan	7⅜ Jan
U S Ceramic Tile Co	1	10¼	10⅛	10¾	2,100	9⅝ Jan	10¾ Feb
U S Foil class B	1	42¼	42	44⅞	10,900	42 Feb	48⅝ Jan
U S Rubber Reclaiming Co	1	5⅝	4⅛	7	18,100	3⅜ Jan	7 Feb
U S Vitamin & Pharmaceutical	1	34	30½	34½	16,200	30 Jan	34½ Feb
United Stores Corp common	50c	10⅞	6	14	62,600	2½ Jan	14 Feb
Universal American Corp	25c	2⅝	2⅝	2¾	3,600	1¾ Jan	2⅞ Jan
Universal Consolidated Oil	10	48½	48	50½	1,600	48 Feb	53 Jan
Universal Controls Inc	1	47⅞	46⅝	49¼	25,600	37⅝ Jan	49¼ Feb
Universal Insurance	15	33	33	33	220	32 Jan	33 Jan
Universal Marion Corp	14	14⅜	14⅛	15	8,800	13⅝ Jan	15¼ Jan
Utah-Idaho Sugar	5	7⅛	7	7¼	3,200	6½ Jan	7⅞ Jan
V							
Valspar Corp common	1	8⅞	6½	10½	32,700	6 Jan	10½ Feb
New (when delivered)		--	6½	7½	1,100	6 Jan	7½ Feb
$4 convertible preferred	5	88	87⅞	101	370	83 Jan	101 Feb
Vanadium-Alloys Steel Co	5	41	41	x43¼	1,500	38⅝ Jan	44½ Jan
Van Norman Industries warrants		--	5⅛	5½	1,900	4¾ Jan	6 Jan
Victoreen (The) Instrument Co	1	7	7	7½	7,100	7⅛ Jan	8½ Jan
Vinco Corporation	1	3⅝	3⅝	4	1,900	3⅛ Jan	4¼ Jan
Virginia Iron Coal & Coke Co	2	4½	4⅜	4⅝	5,800	3⅝ Jan	4⅞ Jan
Vita Food Products	25c	15¼	15⅛	15½	2,300	15 Jan	19⅞ Jan
Vogt Manufacturing	*	10⅛	10	10¼	700	9¼ Jan	10¼ Jan
W							
Waco Aircraft Co	*	3½	3¼	3½	300	3 Jan	3⅞ Jan
Wagner Baking voting ctfs ext	*	3½	3⅛	3½	1,100	2½ Jan	3½ Jan
7% preferred	100	72	71	72	30	71 Feb	72 Jan
Waitt & Bond Inc	1	--	3½	3⅞	3,300	3 Jan	3⅞ Feb
$2 cumulative preferred	30	--	27⅛	29⅜	1,150	24½ Jan	29⅜ Feb
Wallace & Tiernan Inc	1	37¼	37¼	38⅝	1,200	37¼ Jan	40⅜ Jan
Waltham Precision Instrument Co	1	2⅜	2⅛	2⅜	27,700	1⅝ Jan	2⅞ Jan
Webb & Knapp Inc	10c	1½	1⅜	1½	27,800	1¼ Jan	1⅝ Jan
$6 series preference	*	--	112	113¾	100	109 Jan	117 Jan
Webster Investors Inc (Del)	5	24½	24½	24½	100	22 Jan	24¾ Jan
Weiman & Company Inc	1	3⅝	3⅝	4⅛	2,500	3⅛ Jan	4⅛ Feb
Wentworth Manufacturing	1.25	2⅜	2¼	2⅜	1,000	2 Jan	2⅝ Jan
West Canadian Oil & Gas Ltd	1¼	2 1/16	2 1/16	2⅜	10,800	1⅞ Jan	2 7/16 Jan
Rights		1/16	1/16	3/32	10,300	1/16 Jan	⅛ Jan
West Texas Utilities 4.40% pfd	100	--	89½	90¾	40	89 Jan	91¾ Jan
Western Development Co	1	3¼	3⅛	3¼	1,700	3⅛ Jan	3½ Jan
Western Leaseholds Ltd	*	--	3 15/16	4	200	3 15/16 Jan	4 Jan
Western Maryland Ry 7% 1st pfd	100	--	140	140	10	140 Jan	140 Jan
Western Stockholders Invest Ltd—							
Amer dep rcts ord shares	1s	3/16	¼	5/16	10,800	3/16 Jan	⅜ Jan
Western Tablet & Stationery common	*	--	31¼	31¼	100	29⅜ Jan	32 Jan
Westmoreland Coal	20	32¼	32¼	34½	550	32 Jan	34½ Feb
Westmoreland Inc	10	--	--	--	--	27¾ Jan	28¾ Jan
Weyenberg Shoe Mfg	1	--	--	--	--	37½ Jan	40½ Jan
White Eagle Internat Oil Co	10c	1	1	1⅛	6,900	⅞ Jan	1⅛ Jan
White Stores Inc common	1	19⅝	18⅝	20⅛	8,400	17¾ Jan	20⅛ Feb
Wichita River Oil Corp	1	3	2¾	3⅛	5,700	2¼ Jan	3⅛ Feb
Wickes (The) Corp	5	--	14¾	15⅛	900	14⅝ Jan	15⅜ Jan
Williams-McWilliams Industries	10	15	14⅝	15⅜	9,700	13⅜ Jan	15⅜ Feb
Williams (R C) & Co	1	7¼	6	8¼	11,800	5⅝ Jan	8¼ Feb
Wilson Brothers common	1	21½	20	21⅞	5,000	13¾ Jan	23 Jan
5% preferred	25	--	--	--	--	19⅝ Jan	21 Jan
Wisconsin Pwr & Lt 4½% pfd	100	98½	96¾	98½	30	93¼ Jan	98½ Feb
Wood (John) Industries Ltd	*	--	26⅞	26⅞	50	26⅞ Jan	27¼ Jan
Wood Newspaper Machine	1	14⅛	14	14⅞	2,950	12⅜ Jan	14⅞ Feb
Woodall Industries Inc	2	--	23⅛	23⅞	500	22¾ Jan	23⅞ Jan
Woodley Petroleum common	8	--	62½	64	900	62½ Feb	68¾ Jan
Woolworth (F W) Ltd—							
Amer dep rcts ord reg	5s	--	--	--	--	--	--
Wright Hargreaves Ltd	40c	1 7/16	1 7/16	1½	17,200	1⅜ Jan	1⅝ Jan
Z							
Zale Jewelry Co	1	17⅛	17⅛	17¾	1,500	17⅛ Feb	18 Jan
Zapata Petroleum Corp	10c	8¼	8⅛	8½	2,300	8⅛ Jan	9½ Jan

BONDS American Stock Exchange	Interest Period	Friday Last Sale Price	Week's Range or Friday's Bid & Asked Low	High	Bonds Sold No.	Range Since Jan. 1 Low	High
△Amer Steel & Pump 4s inc debs 1994	June-Dec	--	‡37¼	44½	--	41½	45
Appalachian Elec Power 3¼s 1970	June-Dec	90	89½	94½	36	89¼	94½
Bethlehem Steel 6s Aug 1 1998	Quar-Feb	--	‡123	--	--	120¼	122⅝
Boston Edison 2¾s series A 1970	June-Dec	--	84¾	85¼	15	83½	87½
Chicago Transit Authority 3¾s 1978	Jan-July	--	80¾	80¾	8	80	82
Delaware Lack & Western RR—							
Lackawanna of N J Division—							
1st mortgage 4s series A 1993	May-Nov	--	56½	56½	1	53	56½
△1st mortgage 4s series B 1993	May	--	39⅞	39⅞	1	36½	39⅞
Finland Residential Mtge Bank 5s 1961	Mar-Sept	--	‡97¾	--	--	98	98
Flying Tiger Line 5½s conv debs 1967	Jan-July	--	163	164	6	139¾	167¾
Guantanamo & Western RR 4s 1970	Jan-July	--	‡37	44	--	40	47
△Italian Power Realization Trust 6½% liq tr ctfs		81⅞	81⅞	81⅞	8	81	82¾
Midland Valley RR 4% 1963	April-Oct	--	‡86¼	--	--	86¼	86¼
National Research Corp—							
5s convertible subord debentures 1976	Jan-July	110⅛	107	118	141	88	124½
New England Power 3¼s 1961	May-Nov	--	‡98	--	--	97½	97½
Nippon Electric Power Co Ltd—							
6½s due 1953 extended to 1963	Jan-July	--	‡101	--	--	103	103
Ohio Power 1st mortgage 3¼s 1968	April-Oct	--	93⅜	94	21	92½	97¼
1st mortgage 3s 1971	April-Oct	--	‡85¼	93	--	85	87
Pennsylvania Water & Power 3¼s 1964	June-Dec	--	94¼	94¼	2	94¼	96¼
3¼s 1970	Jan-July	--	‡86	91½	--	86	86
Public Service Electric & Gas Co 6s 1998	Jan-July	--	123	123	3	120	123
Rapid Electrotype 7s deb 1967	May-Nov	98	98	99	32	96	100
Safe Harbor Water Power Corp 3s, 1981	May-Nov	--	*87	--	--	--	--
Sapphire Petroleums Ltd 5s conv deb '62	Jan-July	70	69	70	5	65	78
Southern California Edison 3s 1965	Mar-Sept	94	93⅝	94⅜	73	92	95¾
3⅛s series A 1973	Jan-July	--	‡88	--	--	--	--
3s series B 1973	Feb-Aug	--	83½	83½	10	83½	84¼
2⅞s series C 1976	Feb-Aug	--	‡81¼	83⅛	--	--	--
3⅛s series D 1976	Feb-Aug	--	84	84	5	81	84
3⅝s series E 1978	Feb-Aug	--	‡92¼	97	--	91½	92⅛
3s series F 1979	Feb-Aug	--	‡81½	83¾	--	82	82½
3⅝s series G 1981	April-Oct	--	89	89	2	89	91
4¼s series H 1982	Feb-Aug	100¼	99½	100¼	41	99	100¾
4¾s series I 1982	Jan-July	--	‡105¼	--	--	105	105
4⅞s series J 1982	Mar-Sept	--	106¾	106¾	5	106¼	107½
4⅝s series K 1983	Mar-Sept	--	103	105	20	102¾	105⅛
Southern California Gas 3¼s 1970	April-Oct	--	89⅝	89⅝	8	89	90½
Southern Counties Gas (Calif) 3s 1971	Jan-July	--	86	86	8	86	86
Southwestern Gas & Electric 3¼s 1970	Feb-Aug	--	‡91	--	--	91	91
United Dye & Chemical 6s 1973	Feb-Aug	--	‡60	67	--	62	65
Wasatch Corp deb 6s ser A 1963	Jan-July	--	101¼	101¼	1	101¼	103
Washington Water Power 3½s 1964	June-Dec	--	96	96	1	95¾	96¼
Webb & Knapp Inc 5s debs 1974	June-Dec	70½	70½	71¾	37	69⅞	72
West Penn Traction 5s 1960	June-Aug	--	100½	100½	1	99	100½
Western Newspaper Union 6s 1959	Feb-Aug	--	99	99	5	99	99

Foreign Governments and Municipalities

BONDS American Stock Exchange	Interest Period	Friday Last Sale Price	Week's Range or Friday's Bid & Asked Low	High	Bonds Sold No.	Range Since Jan. 1 Low	High
△Baden (Germany) 7s 1951	Jan-July	--	‡135	--	--	--	--
Central Bk of German State & Prov Banks—							
△6s series A 1952	Feb-Aug	--	‡135	--	--	--	--
△6s series B 1951	April-Oct	--	‡162	--	--	--	--
△Danzig Port & Waterways 6½s 1952	Jan-July	--	16⅜	16⅜	2	16⅜	16⅜
△German Cons Munic 7s 1947	Feb-Aug	--	‡215	--	--	215	215
△S F secured 6s 1947	June-Dec	--	‡186½	--	--	186½	186½
△Hanover (City of) Germany—							
7s 1939 (80% redeemed)	Feb-Aug	--	‡15⅛	--	--	--	--
△Hanover (Prov) 6½s 1949	Feb-Aug	--	‡140	--	--	--	--
Maranhao stamped (Plan A) 2⅛s 2008	May-Nov	--	‡60	--	--	--	--
Mortgage Bank of Bogota —							
△7s (issue of May 1927) 1947	May-Nov	--	‡80	--	--	--	--
△7s (issue of Oct 1927) 1947	April-Oct	--	‡80	--	--	--	--
Mortgage Bank of Denmark 5s 1972	June-Dec	--	102¼	102¼	4	--	--
Parana stamped (Plan A) 2⅛s 2008	Mar-Sept	--	‡52	--	--	101½	102¼
Peru (Republic of)—							
Sinking fund 3s Jan 1 1997	Jan-July	50¼	50	50¾	15	48½	50¾
Rio de Janeiro stamped (Plan A) 2s 2012	Jan-July	--	‡39⅞	--	--	39⅝	40

*No par value. a Deferred delivery transaction (not included in year's range). d Ex-interest. f Ex-liquidating distribution. g Ex-stock dividend. h Ex-principal. n Under-the-rule transaction (not included in year's range). r Transaction for cash (not included in year's range). t Ex-distribution. x Ex-dividend. y Ex-rights. z Ex-liquidating dividend.

△Bonds being traded flat.

‡Friday's bid and ask prices; no sales being transacted during the current week.

§Reported in receivership.

Abbreviations used above—"cod," certificates of deposit; "cons," consolidated; "cum," cumulative; "conv," convertible; "M," mortgage; "n-v" non-voting stock; "v t c," voting-trust certificates; "w i," when issued; "w w," with warrants; "x w," without warrants.

Stock and Bond Averages

Below are the daily closing averages of representative stocks and bonds listed on the New York Stock Exchange as compiled by Dow, Jones & Co.:

	Stocks				Bonds				
Date	30 Indus-trials	20 Rail-roads	15 Util-ities	Total 65 Stocks	10 Indus-trials	10 First Grade Rails	10 Second Grade Rails	10 Util-ities	Total 40 Bonds
Jan. 30	593.96	161.91	90.88	205.69	90.02	85.49	84.02	85.12	86.16
Feb. 2	592.23	161.57	90.72	205.17	90.11	85.57	84.17	85.26	86.28
Feb. 3	592.34	162.33	91.20	205.61	90.12	85.53	84.03	85.35	86.26
Feb. 4	589.38	161.60	90,97	204.69	90.16	85.43	84.02	85.22	86.21
Feb. 5	586.12	160.84	90.65	203.67	90.13	85.53	84.03	85.37	86.27

Over-the-Counter Industrial Stock Averages

(35 Stocks)

Compiled by National Quotation Bureau, Inc.

Date—	Closing		Range for 1958
Mon. Feb. 2	105.81	High	102.82 Dec 31
Tues. Feb. 3	105.71	Low	72.75 Jan 2
Wed. Feb. 4	105.91		Range for 1959
Thurs. Feb. 5	106.09	High	107.32 Jan 22
Fri. Feb. 6	106.51	Low	103.19 Jan 2

SEC Index of Stock Prices

The SEC index of stock prices based on the closing prices of the common stock for the week ended Jan. 30, 1959, for composite and by major industry groups compared with the preceding week and with highs and lows for the current year are as follows (1939=100):

	Jan. 30, '59	Jan. 23, '59	Percent Change	1958-1959 High	Low
Composite	408.4	413.2	—1.2	413.2	299.0
Manufacturing	504.8	511.5	—1.3	511.5	373.3
Durable Goods	470.0	475.5	—1.2	476.6	332.2
Non-Durable Goods	527.0	534.8	—1.4	534.8	402.2
Trnasportation	349.3	355.9	—1.9	356.3	219.7
Utility	212.4	212.5	0.0	216.3	155.5
Trade, Finance and Service	397.2	404.8	—1.9	404.8	263.2
Mining	350.1	360.4	—2.9	360.4	261.3

Transactions at the New York Stock Exchange Daily, Weekly and Yearly

	Stocks No. of Shares	Railroad and Miscel. Bonds	Foreign Bonds	Int'l Bank Bonds	United States Government Bonds	Total Bond Sales
Mon. Feb. 2	3,609,980	$7,241,000	$463,000	------	------	$7,704,000
Tues. Feb. 3	3,217,380	5,696,000	253,000	------	------	5,949,000
Wed. Feb. 4	3,165,210	5,941,000	171,000	------	------	6,112,000
Thurs. Feb. 5	3,137,317	6,212,000	293,000	------	------	6,505,000
Fri. Feb. 6	3,009,870	5,230,000	244,000	------	------	5,474,000
Total	16,140,757	$30,320,000	$1,424,000	------	------	$31,744,000

	Week Ended Feb. 6 1959	1958	Jan. 1 to Feb. 6 1959	1958
Stocks—No. of Shares	16,140,757	12,371,238	99,394,171	62,242,594
Bonds—				
U. S. Government	------	------	$1,000	$4,000
International Bank	------	$25,000	4,000	25,000
Foreign	$1,424,000	1,180,000	8,001,000	6,893,000
Railroad and Industrial	30,320,000	22,964,000	172,680,500	145,130,000
Total	$31,744,000	$24,169,000	$180,686,500	$152,052,000

Transactions at the American Stock Exchange Daily, Weekly and Yearly

	Stocks (No. of Shares)	Domestic Bonds	Foreign Government Bonds	Foreign Corporate Bonds	Total Bonds
Mon. Feb. 2	2,076,175	$136,000	$5,000	$5,000	$146,000
Tues. Feb. 3	1,666,605	66,000	------	1,000	67,000
Wed. Feb. 4	1,811,395	94,000	13,000	------	107,000
Thurs. Feb. 5	1,612,234	86,000	2,000	------	88,000
Fri. Feb. 6	1,422.426	105,000	1,000	3,000	109,000
Total	8,588,836	$487,000	$21,000	$9,000	$517,000

	Week Ended Feb. 6 1959	1958	Jan. 1 to Feb. 6 1959	1958
Stocks—No. of Shares	8,588,836	3,176,590	51,914,841	16,607,707
Bonds—				
Domestic	$487,000	$331,000	$3,573,000	$1,936,000
Foreign government	21,000	95,000	272,000	216,000
Foreign corporate	9,000	15,000	122,000	216,000
Total	$517,000	$441,000	$3,967,000	$2,368,000

OUT-OF-TOWN MARKETS

RANGE FOR WEEK ENDED FEBRUARY 6

Boston Stock Exchange

STOCKS	Par	Friday Last Sale Price	Week's Range of Prices Low	Week's Range of Prices High	Sales for Week Shares	Range Since Jan. 1 Low	Range Since Jan. 1 High
American Motors Corp	5	33½	32⅞	37½	3,145	32⅞ Feb	43½ Jan
American Sugar Refining	25	—	33½	33⅝	75	33½ Feb	34½ Jan
American Tel & Tel	100	232⅞	230½	234½	2,216	224¾ Jan	240¾ Jan
Anaconda Co	50	—	67⅜	70	278	60⅜ Jan	70 Feb
Boston & Albany RR	100	—	126½	126½	1	124¼ Jan	127 Jan
Boston Edison Co	25	60½	59	61½	736	59 Feb	61⅞ Jan
Boston Personal Prop Trust	*	—	53½	54½	199	53 Jan	56 Jan
Calumet & Hecla Inc	5	—	18¾	18¾	10	18 Jan	19 Jan
Cities Service Co	10	—	61⅞	63½	150	59⅝ Jan	64⅛ Jan
Copper Range Co	5	—	29⅞	30	65	27½ Jan	30⅛ Jan
Eastern Gas & Fuel Assoc com	10	—	31¼	31¾	387	28¾ Jan	33⅜ Jan
4½% cum pfd	100	—	82½	83½	63	78¼ Jan	84¾ Jan
Eastern Mass St Ry Co	100	—	1¼	1¼	200	75c Jan	1⅜ Jan
6% cumulative 1st pfd class A	100	—	48	50	155	48 Jan	50¼ Jan
6% cumulative preferred class B	100	—	38¾	39	16	38¾ Feb	42 Jan
First Nat'l Stores Inc	*	—	74¾	77¾	299	74¾ Feb	81⅛ Jan
Ford Motor Co	5	—	53½	54⅞	334	52⅜ Jan	56⅜ Jan
General Electric Co	5	76¾	76⅜	78¼	1,821	76⅜ Feb	80¼ Jan
Gillette Company	1	—	45⅝	46¾	388	45⅝ Feb	48⅞ Jan
Island Creek Coal Co common	50	—	39¼	39⅞	192	39¼ Feb	44 Jan
Kennecott Copper Corp	*	—	106⅝	108	310	96¾ Jan	108 Feb
Loew's Boston Theatres	25	—	10¼	10½	40	10¼ Feb	12 Jan
Lone Star Cement Corp	4	—	33⅞	34	95	33⅞ Feb	37 Jan
Narragansett Racing Association	1	—	13⅛	13⅛	50	12¾ Jan	14 Jan
National Service Companies	1	—	11c	13c	7,300	6c Jan	14c Jan
New England Electric System	20	21	20⅝	21⅛	1,933	19½ Jan	21⅜ Jan
New England Tel & Tel Co	100	166½	164	167	473	160 Jan	166⅞ Jan
Olin Mathieson Chemical	5	—	44½	45¾	205	43½ Jan	47¾ Jan
Pennsylvania RR Co	50	—	16⅞	17⅛	282	16⅞ Feb	19⅞ Jan
Quincy Mining Co	25	—	27	27	16	25 Jan	27 Feb
Reece Folding Machine Co	2	—	1¼	1⅜	150	1¼ Feb	1⅜ Feb
Rexall Drug Co	2.50	—	35⅛	36¼	128	32⅛ Jan	36¼ Feb
Shawmut Association	*	29¾	29¾	29⅞	150	29⅜ Jan	30⅛ Jan
Stone & Webster Inc	*	—	58¼	59	120	56¼ Jan	59¾ Jan
Stop & Shop Inc	1	—	37¼	37¼	30	33⅞ Jan	37½ Jan
Torrington Co	*	29⅜	29⅜	30¾	1,116	28⅜ Jan	32⅜ Jan
United Fruit Co	*	42¾	42¼	43⅞	2,268	41 Jan	44⅛ Jan
United Shoe Mach Corp common	25	48⅝	48⅛	49¾	661	45¾ Jan	49¾ Feb
U S Rubber Co	5	—	48½	49¼	90	46⅛ Jan	51⅝ Jan
U S Smelting, Ref & Min Co	50	—	35⅜	36¼	216	35¼ Jan	37⅜ Jan
Vermont & Mass RR Co	100	—	82	82⅛	56	82 Jan	84 Jan
Waldorf System Inc	*	—	15⅞	16⅛	140	14¾ Jan	16⅛ Jan
Westinghouse Electric Corp	12.50	72	72	76⅛	246	71⅛ Jan	76¼ Jan

Cincinnati Stock Exchange

STOCKS	Par	Friday Last Sale Price	Week's Range of Prices Low	Week's Range of Prices High	Sales for Week Shares	Range Since Jan. 1 Low	Range Since Jan. 1 High
American Laundry	20	—	33⅞	34¼	415	32⅞ Jan	34¼ Feb
Balcrank	1	—	15⅛	15⅛	105	15⅛ Jan	15¼ Jan
Baldwin Piano	8	—	32⅝	32¾	81	27⅛ Jan	33 Jan
Burger	*	15½	15½	15½	5	16 Jan	15½ Jan
Carey	10	47½	47¼	50	158	41⅞ Jan	50 Jan
Champion Paper	*	46	45¾	46¼	163	41¼ Jan	49½ Jan
Cincinnati Gas & Electric com	8.50	34⅞	34⅞	35⅝	315	34⅞ Feb	37⅛ Jan
Cincinnati Milling	10	—	42⅝	42⅝	20	38⅞ Jan	42⅝ Feb
Cincinnati Telephone	50	—	95⅝	96¼	245	91¼ Jan	96¼ Feb
Cincinnati Transit	12.50	5½	5½	5⅛	178	5⅛ Jan	5½ Feb
Eagle Picher	10	—	45¾	47	186	44 Jan	47 Feb
Gibson Art	5	62¼	61¾	62½	110	60 Jan	62¾ Jan
Kroger new	1	31¼	31	32½	1,675	31⅛ Jan	34½ Jan
Procter & Gamble	2	74¾	74¼	76¼	1,336	73½ Feb	77½ Jan
Randall class B	5	34⅛	34⅛	34⅛	10	34⅛ Feb	34⅛ Feb
Rapid	1	36⅜	35⅛	37⅜	152	29¼ Jan	37⅜ Feb
U S Printing pref	50	—	52⅛	52⅛	4	52⅛ Jan	52⅛ Jan
Unlisted Stocks							
Allied Stores	*	—	54⅞	54⅞	20	52¾ Jan	54⅞ Feb
American Can	12.50	—	47½	48⅝	176	47½ Feb	50⅝ Jan
American Cyanamid	10	48¼	48¼	48⅞	118	48¼ Feb	51½ Jan
American Radiator	5	—	17⅛	17⅜	70	15½ Jan	17⅜ Feb
American Telephone & Telegraph	100	233½	231	234	171	224⅞ Jan	240¾ Jan
American Tobacco	25	—	103¾	103¾	25	96⅛ Jan	106 Jan
Anaconda	50	—	67⅞	69⅜	100	60½ Jan	69⅜ Feb
Armour (Ill)	5	—	25⅞	26⅛	95	23⅞ Jan	28¼ Jan
Ashland Oil	1	—	20½	20¾	142	19⅛ Jan	21¾ Jan
Avco		11½	10⅞	12⅛	560	10⅞ Jan	13 Jan
Baldwin-Lima-Hamilton	13	—	14¾	14¾	25	14 Jan	15⅞ Jan
Baltimore & Ohio	100	—	43	43⅛	45	43 Feb	47⅜ Jan
Bethlehem Steel	8	53	53	55¼	288	51⅞ Jan	55¼ Feb
Boeing	5	—	42⅝	43⅝	45	42¼ Jan	44⅞ Jan
Burlington Ind	1	—	15	15	50	14⅝ Jan	15½ Jan
Chesapeake & Ohio	25	70	69¾	70¼	155	68¼ Jan	72¼ Jan
Chrysler Corp	25	50⅝	50⅜	52⅛	60	50⅜ Feb	54¾ Jan
Cities Service	10	—	63	63	57	59⅞ Jan	64¾ Jan
City Products	*	—	45⅝	45⅝	25	45⅝ Feb	49 Jan
Colgate-Palmolive	1	—	89	89	25	89 Feb	95¾ Jan
Columbia Gas System	10	23	22⅞	23¼	172	22¾ Jan	24¼ Jan
Columbus & So Ohio Electric	5	—	37⅝	37⅞	120	35⅞ Jan	38⅛ Jan
Corn Products Co	10	—	54	54	17	54 Jan	57¾ Jan
Curtiss Wright	1	27⅞	27⅞	28¾	106	27¾ Jan	28⅞ Jan
Dayton Power & Light	7	—	56¾	56¾	35	54[illegible] Jan	60¼ Jan
Dow Chemical	5	77⅛	77⅛	77¾	135	78[illegible] Jan	80⅛ Jan
DuPont	5	208⅝	208⅝	210	30	208[illegible] Jan	216½ Jan
Electric Auto-Lite	5	37½	38	37½	100	36⅞ Jan	38 Jan
Federated Department Stores	2.50	52⅛	52⅛	57½	222	52⅛ Feb	58¼ Jan
General Dynamics	1	59¼	59	61⅝	184	59 Feb	66⅝ Jan
General Electric	5	77¼	77	78⅝	135	77 Feb	80⅛ Jan
General Motors	1⅔	46¾	46½	48⅝	501	46½ Feb	51 Jan
Greyhound	3	19	18¾	19	94	17¾ Jan	19 Jan
International Harvester	*	40	39¾	40	73	39¾ Jan	42⅝ Jan
International Telephone	*	—	57	59¾	175	59¼ Jan	64⅝ Jan
New common	*	—	28½	29¾	70	28½ Feb	29¾ Feb
Lorillard (P)	10	86	86	86	20	78⅞ Jan	86⅞ Jan
Martin Co	1	33⅞	33⅞	35½	32	32⅞ Jan	35½ Feb
Mead Co	1	—	49¼	49½	220	43¾ Jan	49½ Feb
Monsanto Chemical	2	—	41	42	95	39 Jan	42¼ Jan
Montgomery Ward	*	—	41⅛	41¼	70	40⅝ Jan	42⅞ Jan
National Cash Register	5	73¼	73¼	76¾	129	72 Jan	79¾ Jan
National Distillers	5	29⅞	29⅞	30⅞	110	29⅛ Jan	31¾ Jan
New York Central RR	*	—	27½	27½	50	27½ Feb	29¾ Jan
Pennsylvania RR	10	17	17	17	66	17 Feb	20⅛ Jan
Pepsi-Cola	$.3333	29¼	29¼	29⅝	75	26½ Jan	30⅛ Jan
Phillips Petroleum	5	—	50⅝	51⅛	48	48 Jan	51⅛ Jan
Pure Oil	5	—	44¼	44⅝	65	43 Jan	45⅝ Jan
Radio Corp	*	44¾	44¾	47⅛	40	44¾ Feb	50¼ Jan
Republic Steel	10	72⅝	72⅝	72⅝	10	72⅝ Feb	74⅞ Jan
Reynolds Tobacco class B	10	—	101¼	103¼	65	91¾ Jan	103¼ Feb
Schenley	1.40	—	41	41	50	39 Jan	44¼ Jan
Sears Roebuck	3	—	42⅝	43⅜	55	39⅝ Jan	45¼ Jan
Sinclair Oil	5	67⅛	67⅛	67⅛	30	63⅛ Jan	67⅛ Feb
Socony Mobil	10	47¾	47⅝	49¼	173	47⅝ Feb	52 Jan
Southern Co	5	—	34¾	34¾	7	34¾ Feb	36⅝ Jan
Sperry Rand	50c	22	21⅝	23½	196	21⅝ Feb	24⅞ Feb
Standard Oil (Ind)	25	—	47⅜	48¼	157	47⅜ Feb	48⅞ Jan
Standard Oil (N J)	7	—	54⅝	55⅝	714	54⅝ Feb	59⅛ Jan
Standard Oil (Ohio)	10	—	62⅛	63⅞	65	59¼ Jan	64¼ Jan
Studebaker Packard	1	13⅜	13⅜	14¼	139	13⅜ Feb	15 Jan

For footnotes see page 42.

STOCKS	Par	Friday Last Sale Price	Week's Range of Prices Low	Week's Range of Prices High	Sales for Week Shares	Range Since Jan. 1 Low	Range Since Jan. 1 High
Toledo Edison	5	—	16¾	16⅞	54	15¾ Jan	16⅞ Jan
Union Carbide	*	—	124¼	126	52	123¾ Jan	127 Jan
U S Rubber	5	—	49⅛	49⅛	25	49⅛ Feb	52⅛ Jan
U S Shoe	1	35⅜	35⅜	36⅜	208	33¾ Jan	36⅜ Feb
U S Steel	16.66⅔	—	92⅝	92¾	70	92⅝ Feb	100 Jan
Westinghouse	12½	72	72	75¾	35	71¼ Jan	76½ Jan
Woolworth	10	—	54⅝	55	53	54⅛ Jan	56¼ Jan
BONDS							
Cincinnati Transit 4½s		—	61	61¼	$11,500	60 Jan	62¼ Jan

Detroit Stock Exchange

STOCKS	Par	Friday Last Sale Price	Week's Range of Prices Low	Week's Range of Prices High	Sales for Week Shares	Range Since Jan. 1 Low	Range Since Jan. 1 High
A C F Wrigley Stores	1	—	21⅜	21⅜	306	21⅜ Feb	23¼ Jan
Allen Electric	1	2⅜	2⅜	2½	2,738	2⅛ Jan	2⅝ Jan
Briggs Manufacturing	*	—	11⅛	11¼	500	8½ Jan	12 Jan
Brown-McLaren Mfg	1	—	1½	1½	340	1⅜ Jan	1⅝ Jan
Budd Company	5	—	20⅛	20⅜	677	20 Jan	21¼ Jan
Buell Die & Machine	1	2⅞	2¾	3	1,597	2⅜ Jan	3 Feb
Burroughs Corporation	5	—	39	39	564	38⅜ Jan	41⅛ Jan
Chrysler Corp	25	51⅞	51½	52¼	993	51½ Jan	54⅞ Jan
Consolidated Paper	10	14½	14½	15	1,728	13⅛ Jan	15¼ Jan
Consumers Pr $4.50 pfd	*	—	96½	96½	17	96½ Feb	96½ Feb
Continental Motors	1	—	11⅛	11¼	623	11⅛ Feb	11⅝ Jan
Davidson Bros	1	—	5⅞	5⅞	270	5½ Jan	5⅞ Jan
Detroit Edison	20	43¾	43¾	44¾	7,309	42¼ Jan	45 Jan
Detroit Steel Corp	1	—	19⅛	19¼	412	15½ Jan	19¾ Jan
Ford Motor Company	5	—	54¼	54½	1,652	52¼ Jan	56 Jan
Fruehauf Trailer	1	20¾	20⅜	21½	5,555	18¾ Jan	21½ Feb
General Motors Corp	1.66⅔	47¼	47⅛	48⅜	7,470	47⅛ Feb	50¾ Jan
Goebel Brewing	1	3¾	3¾	4⅜	1,008	3⅛ Jan	4½ Jan
Graham Paige	*	3½	3⅛	4	5,510	2⅞ Jan	4 Feb
Great Lakes Oil & Chemical	1	1⅞	1⅞	2⅛	6,280	1½ Jan	1⅞ Jan
Hastings Manufacturing	2	4¾	4¾	4¾	100	4¾ Feb	4¾ Feb
Hoskins Manufacturing	2½	—	28	28	200	25 Jan	28 Jan
Houdaille Industries common	3	—	22⅝	23⅞	861	20¾ Jan	23⅞ Feb
Howell Electric Mtrs	1	9	8¾	9½	3,308	6¼ Jan	9½ Feb
Ironite Inc	1	—	6½	6½	100	5⅞ Jan	6¾ Jan
King Seeley	1	—	28¼	28¼	282	28⅜ Jan	28½ Jan
Kingston Products	1	—	2⅞	2⅞	100	2 Jan	2⅞ Feb
Kresge Co (S S)	10	—	33¾	33⅞	2,174	32 Jan	33⅞ Feb
Kysor Heater	1	—	10⅝	10⅝	175	10½ Jan	11½ Jan
LaSalle Wines	2	—	2⅞	2⅞	1,000	2⅞ Jan	2⅞ Jan
Leonard Refineries	3	15	14⅞	15⅛	635	13¾ Jan	15⅛ Feb
Masco Screw Products	1	—	2½	2⅝	1,000	2½ Jan	2¾ Jan
Michigan Chemical	1	—	22½	23⅜	443	19⅜ Jan	24¼ Jan
Mt Clemens Metal common	1	—	2¾	2¾	200	2¾ Feb	3 Jan
Murray Corporation	10	—	29	29	312	28¾ Jan	29⅞ Jan
Park Chemical	1	—	13¼	13¼	264	13¼ Feb	13¼ Feb
Parke Davis & Co (new)	*	37	37	38⅛	3,237	37 Feb	41 Jan
Peninsular Metal Products	1	9⅜	9¼	9½	760	8 Jan	9½ Feb
Pfeiffer Brewing	5	—	5¼	5⅝	830	4⅛ Jan	6 Jan
Prophet Co (The)	1	—	11⅛	11⅛	220	11⅛ Feb	11¼ Jan
Rickel (H W) & Co	2	2¾	2¾	2¾	840	2⅝ Jan	2¾ Jan
River Raisin Paper	5	—	14¾	15¾	1,745	14½ Jan	15¾ Feb
Rockwell Standard Corp	5	—	32¾	33	721	30½ Jan	33½ Jan
Rudy Manufacturing	1	12⅞	12¼	13	3,690	9⅝ Jan	13 Jan
Scotten Dillon	10	24¼	23¾	24½	1,074	22½ Jan	24¾ Jan
Standard Tube class B	1	—	7¾	7⅞	200	7¼ Jan	7⅞ Feb
Studebaker-Packard	10	—	13¾	14½	2,686	13¾ Feb	15½ Jan
Superior Tool	1	—	4¼	4¼	522	3¾ Jan	4¼ Feb
Udylite Corp common	1	11½	11½	11½	140	11 Jan	12 Jan
United Shirt Dist	1	—	4	4¼	725	3⅞ Jan	4¼ Feb
Walker & Co common	1	—	15½	15½	120	15½ Feb	15½ Feb

Midwest Stock Exchange

A compilation of the round-lot transactions only

STOCKS	Par	Friday Last Sale Price	Week's Range of Prices Low	Week's Range of Prices High	Sales for Week Shares	Range Since Jan. 1 Low	Range Since Jan. 1 High
Abbott Laboratories common	5	61½	61½	62¾	500	61½ Feb	70¾ Jan
Acme Steel Co	10	30	30	30½	800	26½ Jan	33 Jan
Admiral Corp	1	17¼	17¼	17⅞	700	17¼ Feb	19⅞ Jan
Advanced Aluminum Castings	5	16¼	16	16¼	200	12¼ Jan	16¼ Feb
Alleghany Corp (Un)	1	—	10½	10⅞	1,500	10⅛ Jan	11⅜ Jan
Allegheny Ludlum Steel	1	49½	49½	49½	100	45¾ Jan	51⅞ Jan
Allis-Chalmers Manufacturing	10	27½	27½	28¼	1,600	27½ Feb	30 Jan
Aluminum Co of America	1	—	83	83¾	400	82 Jan	90½ Jan
Aluminium Ltd	*	30⅝	30¼	31⅞	8,700	30 Jan	33¼ Jan
American Airlines (Un)	1	28½	28⅛	30	1,300	24⅞ Jan	30¾ Jan
Am Broadcast Paramt Theatres (Un)	1	20¾	20¾	21⅜	900	20½ Jan	22⅜ Jan
American Can Co (Un)	12.50	48	47¾	48½	1,700	47¾ Feb	50⅞ Jan
American Cyanamid Co (Un)	10	47⅞	47⅞	48¾	1,300	47⅞ Feb	51⅝ Jan
American Investment Co (Ill)	1	—	20	20⅛	300	20 Jan	20⅜ Jan
American Machine & Foundry	7	—	55	56⅛	600	53½ Jan	58⅜ Jan
American Motors Corp	5	33⅜	33⅜	37¼	7,200	33⅜ Feb	43⅛ Jan
American Rad & Stand San (Un)	5	16¾	16⅝	17½	5,100	15¼ Jan	17½ Feb
American Tel & Tel Co	100	133¼	232¼	233¾	1,000	223¼ Jan	240 Jan
American Tobacco (Un)	25	—	104	104⅛	200	96⅛ Jan	107 Jan
American Viscose Corp (Un)	25	—	40½	41½	500	37⅛ Jan	41½ Feb
Amurex Oil Co class A common	5	—	4⅜	4⅜	100	3½ Jan	4⅜ Feb
Anaconda Company (Un)	50	68¾	68	69¾	900	60⅜ Jan	69¾ Feb
Armco Steel Corp (Un)	10	70¼	70¼	72⅛	600	66⅜ Jan	72¼ Jan
Armour & Co (Ill)	5	27⅜	25⅞	27⅞	1,500	23½ Jan	27⅞ Feb
Warrants		—	13⅞	14¼	600	11¾ Jan	14¼ Feb
Ashland Oil & Refining common	1	20⅜	20⅛	20½	1,600	19 Jan	21⅜ Jan
Atchison Topeka & Santa Fe—							
Common	10	28⅝	28⅝	29⅛	2,200	28 Jan	31 Jan
5% non-cum preferred	10	—	10⅛	10¼	700	10⅛ Jan	10¼ Jan
Athey Products Corp	4	26½	26½	28¼	200	24¾ Jan	28¼ Feb
Atlantic Refining Co	10	48¾	48¾	50	700	44 Jan	50½ Jan
Avco Manufacturing Corp	3	11½	10⅞	11¾	6,600	10⅝ Jan	12⅞ Jan
Rights		r7/32	9/16	r15/64	35,200	3/16 Feb	9/32 Jan
Bailey Selburn Oil & Gas class A	1	10	10	10½	1,300	10 Feb	11¼ Jan
Baldwin-Lima-Hamilton (Un)	13	—	14⅜	14⅞	900	14 Jan	16¼ Jan
Bastian-Blessing Co	*	—	69	70	200	66⅝ Jan	70 Jan
Belden Manufacturing Co	10	33	31¼	33¼	800	30 Jan	33 Feb
Bendix Aviation Corp	5	68½	67¾	69½	350	67¾ Feb	71 Jan
Benguet Consolidated Inc (Un)	P1	1⅝	1⅝	1¾	4,300	1⅝ Jan	1⅞ Jan
Bethlehem Steel Corp (Un)	8	x52¾	x52¾	55⅛	5,700	50⅞ Jan	55⅛ Feb
Binks Manufacturing Co	1	28½	28½	29⅛	100	27 Jan	29½ Jan
Boeing Airplane	5	42½	42⅜	43⅝	800	42 Jan	46⅜ Jan
Booth Fisheries Corp	5	25	24½	25¼	2,800	20½ Jan	25¼ Feb
Borg-Warner Corp	5	39½	39½	39⅞	600	39⅜ Jan	41⅞ Jan
Brach & Sons (E J)	*	—	111	111	100	109 Jan	113 Jan
Brad Foote Gear Works	20c	—	2¼	2⅜	600	2 Jan	2⅜ Feb
Budd Company	5	—	20¼	20½	300	19¼ Jan	21⅞ Jan
Burlington Industries (Un)	1	15⅛	15	15⅛	500	14⅝ Jan	15½ Jan
Burroughs Corp (Un)	5	37⅝	37⅝	39	500	37⅝ Feb	41½ Jan
Burton-Dixie Corp	12.50	22¾	22¾	23⅛	1,050	20¾ Jan	24⅜ Jan

OUT-OF-TOWN MARKETS

RANGE FOR WEEK ENDED FEBRUARY 6

STOCKS	Par	Friday Last Sale Price	Week's Range of Prices Low	High	Sales for Week Shares	Range Since Jan. 1 Low	High
Calumet & Hecla Inc	5	--	19¼	19¼	50	18¼ Jan	19¼ Feb
Canadian Export Gas Ltd	30c	2¾	2¾	3	5,100	2⅜ Jan	3⅛ Jan
Canadian Pacific (Un)	25	--	30⅝	30⅝	300	29⅜ Jan	31⅜ Jan
Carrier Corp common	10	--	44½	45⅜	900	44½ Jan	48½ Jan
Celanese Corp of America (Un)	*	--	27¾	27⅞	300	27 Jan	29⅝ Jan
Centlivre Brewing Corp	50c	4¼	4	4¼	9,300	3⅜ Jan	4¼ Feb
Central & South West Corp	5	55¾	55¾	56¾	1,400	55¾ Feb	58½ Jan
Champlin Oil & Ref common	1	--	23¼	23¼	100	22¾ Jan	24⅛ Jan
Champlin Oil & Ref $3 conv pfd	25	--	55¼	56	32	54 Jan	56 Jan
Chemetron Corp	1	--	33	33¼	300	33 Feb	36 Jan
Chesapeake & Ohio Ry (Un)	25	69¾	69¾	70	300	66⅜ Jan	73 Jan
Chicago Milw St Paul & Pac	*	26⅝	26⅝	28	900	25⅛ Jan	30 Jan
Chicago South Shore & So Bend	12.50	9	9	9⅜	2,300	8⅛ Jan	9½ Jan
Chicago Towel Co common	*	--	150	150	25	147 Jan	150¼ Jan
Chrysler Corp	25	51½	50⅞	52	1,300	50⅞ Feb	55 Jan
Cincinnati Gas & Electric	8.50	--	35¼	35½	600	35¼ Feb	37 Jan
Cleveland Cliff's Iron common	1	--	53	53¾	500	53 Jan	54¾ Jan
4½% preferred	100	--	88	88	250	87½ Jan	89¾ Jan
Cleveland Electric Illum	15	--	48	48	200	48 Feb	55½ Jan
Coleman Co Inc	5	--	19½	19½	350	16 Jan	20½ Jan
Colorado Fuel & Iron Corp	*	26⅝	26⅝	27⅞	800	23⅞ Jan	28 Jan
Columbia Gas System (Un)	10	22⅞	22⅞	23¼	1,800	22⅛ Jan	24⅛ Jan
Commonwealth Edison common	25	57	56¼	57¼	2,900	56 Jan	57⅞ Jan
Consolidated Cement Corp	1	41⅞	40½	42	3,700	38 Jan	42⅜ Jan
Consolidated Foods	1.33⅓	26⅛	25½	26¼	1,100	23¼ Jan	26¼ Feb
Consumers Power Co	*	--	59	59	100	56 Jan	59 Feb
Container Corp of America	5	--	27½	28	650	27½ Feb	29¾ Jan
Continental Can Co	10	54¾	54¾	55	900	54 Jan	57⅝ Jan
Continental Motors Corp	1	11⅛	11	11⅜	1,600	11 Feb	11⅝ Jan
Controls Co of America	5	33	30½	36	5,100	26 Jan	36 Feb
Crane Co	25	--	37¼	38½	200	35⅝ Jan	39 Jan
Crucible Steel Co of America	25	30¼	30¼	31⅛	300	27⅛ Jan	31⅜ Jan
Cudahy Packing Co	5	14⅝	14¼	14⅝	500	13⅞ Jan	15½ Jan
Curtiss-Wright Corp (Un)	1	27¾	27¾	28¾	2,300	27⅝ Jan	29 Jan
D T M Corp	2	--	31	31	100	30 Jan	31 Jan
Deere & Company common	10	54¼	53⅝	54¼	1,000	47⅞ Jan	54¾ Jan
Detroit Edison Co (Un)	20	43⅝	43⅝	44⅝	1,600	42⅜ Jan	45 Jan
Dodge Manufacturing Co	5	25⅛	25⅛	26	800	24½ Jan	26¾ Jan
Dow Chemical Co	5	--	77½	78	500	74¾ Jan	80 Jan
Drewrys Ltd USA Inc	1	--	26	26	100	23 Jan	26½ Jan
Du Pont (E I) de Nemours (Un)	5	--	209½	210	200	209¼ Jan	216½ Jan
Eastern Air Lines Inc	1	--	38	39½	300	34½ Jan	40⅜ Jan
Eastman Kodak Co (Un)	10	138½	138½	142½	400	138½ Feb	160½ Jan
El Paso Natural Gas	3	37	37	37¾	1,300	36 Jan	39 Jan
Elgin National Watch	5	10½	10½	10½	50	10½ Feb	10½ Feb
Emerson Radio & Phonograph (Un)	5	15⅜	15⅜	15¾	400	13⅜ Jan	16⅝ Jan
Firstamerica Corp	2	--	21⅜	21⅜	100	20½ Jan	21⅝ Jan
Ford Motor Co	5	52⅞	52½	54¾	2,900	51⅜ Jan	56¼ Jan
Foremost Dairies Inc	2	--	21⅛	21⅜	800	20⅛ Jan	21¾ Jan
Four-Wheel Drive Auto		14	14	14⅝	2,600	12⅛ Jan	14⅝ Feb
Name changed to FWD Corp							
Fruehauf Trailer Co	1	21⅛	20½	21½	2,700	18½ Jan	21½ Jan
General Amer Transportation new		53	53	54¼	700	53 Feb	56⅞ Jan
General Bankshares ex-distrib		--	x7⅞	8	600	7⅞ Jan	8⅛ Jan
General Box Corp	1	--	2¾	2⅞	1,000	2½ Jan	2⅞ Jan
General Candy Corp	5	11¼	11¼	11¾	152	10½ Jan	11¾ Feb
General Contract Finance	2	--	7⅞	8⅛	400	7⅞ Feb	9¼ Jan
General Dynamics (Un)	1	59⅜	59⅜	62	1,400	59⅜ Feb	66⅜ Jan
General Electric Co	5	77½	77	78	2,000	76⅞ Jan	80¼ Jan
General Foods Corp	*	--	76	77¼	300	75½ Jan	80¾ Jan
General Motors Corp	1.66⅔	x46½	x46½	48¾	10,900	46½ Feb	50¾ Jan
General Public Utilities	5	48	48	48½	200	38 Jan	49 Dec
General Telephone Corp	10	60⅛	60⅛	62⅜	1,900	60⅛ Feb	64½ Jan
General Tire & Rubber	83½c	--	47⅝	49¼	900	44¾ Jan	49¼ Feb
Gerber Products Co	10	--	64⅞	64⅞	100	64 Jan	64⅞ Feb
Gillette (The) Co	1	47	45½	47	500	45¼ Jan	48½ Jan
Goldblatt Brothers	8	--	13	13½	700	11⅞ Jan	13½ Feb
Goodyear Tire & Rubber Co	5	--	123	125	500	119¾ Jan	125¾ Jan
Gossard (W H) Co	*	23	23	23¼	400	20¼ Jan	25 Jan
Graham Paige	*	--	3⅝	3⅝	300	3 Jan	3⅝ Feb
Granite City Steel Co	12.50	61⅜	61⅜	64	200	60⅝ Jan	65½ Jan
Gray Drug Stores	1	41	40½	41⅞	250	40½ Feb	45 Jan
Great Lakes Dredge & Dock	*	x61½	x61½	66	4,200	46¼ Jan	66 Feb
Great Lakes Oil & Chemical	1	1⅞	1⅞	2⅛	4,500	1¾ Jan	2⅛ Feb
Greyhound Corp (Un)	3	19	18⅞	19	700	17¾ Jan	19 Feb
Griesedieck Co	1	11⅝	11⅝	12	2,700	11⅜ Jan	12 Jan
Gulf Oil Corp	25	118¼	118¼	125¼	1,100	118¼ Feb	126¼ Jan
Heileman (G) Brewing Co	1	14⅛	14⅛	14¼	1,500	12¼ Jan	15¾ Jan
Hein Werner Corp	2	19	17	19	1,050	16½ Jan	19 Feb
Hertz Corp new common	1	--	37⅞	38¼	600	35½ Jan	38¼ Feb
Hibbard Spencer Bartlett	25	--	96	96	25	93 Jan	96 Feb
Howard Industries Inc	1	3¾	3⅝	3¾	2,000	3½ Jan	3⅞ Jan
Hupp Corporation	1	5½	5½	6	2,600	[illegible]	6⅛ Jan
Huttig Sash & Door common	10	29	28⅞	29	300	24⅜ Jan	29 Feb
Illinois Brick Co	10	26⅜	25½	27	1,850	23½ Jan	27 Feb
Illinois Central RR	*	52	52	53⅜	400	51⅝ Jan	55 Jan
Indiana Steel Products Co	1	42¼	42¼	46	3,700	31¾ Jan	47¼ Jan
Inland Steel Co	*	--	141	142¼	300	141 Feb	150 Jan
Interlake Steamship Co	*	41⅛	41	42⅜	1,550	39 Jan	42⅜ Jan
International Harvester	*	39¾	39¾	40⅜	1,600	39¾ Feb	42¾ Jan
International Mineral & Chemical	5	--	29	30⅛	400	28¼ Jan	30⅛ Jan
International Nickel Co (Un)	*	--	92¼	92¼	200	87⅜ Jan	91¼ Jan
International Paper (Un)	7.50	--	118	118½	200	118 Jan	121 Jan
International Shoe Co	*	35¼	35	35½	300	34¼ Jan	36¾ Jan
International Tel & Tel (Un)	*	58¾	57⅛	58¾	600	57⅛ Feb	64⅜ Jan
New common w i	*	29½	28⅞	29⅞	800	28⅞ Feb	31⅜ Jan
Interstate Power Co	3.50	--	18¾	18⅞	600	18⅜ Jan	19⅜ Jan
Johnson Stephens & Shinkle Shoe	*	7	7	7¼	300	6 Jun	7¼ Feb
Jones & Laughlin Steel (Un)	10	62⅞	62⅞	65¾	700	60⅜ Jan	67⅝ Jan
Kaiser Alum & Chemical	33⅓c	--	38⅝	39⅜	2,200	38⅝ Feb	43 Jan
Kansas Power & Light (Un)	8.75	30½	30½	30⅝	500	28⅝ Jan	31⅛ Jan
Kennecott Copper Corp (Un)	*	--	106¾	108	600	97¼ Jan	108 Feb
Kimberly-Clark Corp	5	60¾	60	60¾	400	60 Jan	65¼ Jan
Knapp Monarch Co	1	4¼	4¼	4¼	500	3⅝ Jan	4¼ Feb
La Salle Extension University	5	--	12½	12½	100	11 Jan	12½ Feb
Laclede Gas Co common	4	22	22	22¼	600	22 Jan	23½ Jan
Leath & Co common	*	29	28⅝	29	300	25¼ Jan	29 Feb
Libby McNeil & Libby	1	13⅜	12¾	13½	3,300	12 Jan	13¾ Jan
Liggett & Myers Tobacco (Un)	25	--	93¼	93¼	100	80½ Jan	93¼ Feb
Lincoln Printing Co common	1	21	21	21	50	21 Feb	23¾ Jan
Louisville Gas & Electric (Ky)	*	43½	43½	43½	100	42 Jan	43½ Feb
Lytton's (Henry C) & Co	1	--	6¾	6¾	5,200	6¾ Jan	7 Jan
Marshall Field common	*	--	45	45	100	42½ Jan	45⅞ Jan
Martin (The) Co	1	33¾	33¾	36	1,200	32½ Jan	36 Feb
Medusa Portland Cement—							
New common w i	*	34½	34¼	35¼	1,250	33¼ Jan	36½ Jan
Merck & Co (Un)	16⅔c	70½	70½	74	800	70½ Feb	76½ Jan
Merritt Chapman & Scott (Un)	12.50	21¼	21⅛	22	1,900	18 Jan	22 Feb
Metropolitan Brick Inc	4	--	15⅝	16	400	13½ Jan	16 Feb
Meyer Blanke Co	*	20½	20½	20¾	412	20½ Jan	22¼ Jan
Mickelberry's Food Products	1	--	16½	17½	300	15⅛ Jan	17½ Jan
Middle South Utilities	10	48¼	47⅛	48¼	300	46⅜ Jan	48¼ Feb
Minneapolis Brewing Co	1	8⅜	8⅜	8½	1,300	7⅛ Jan	8⅝ Jan
Minnesota Min & Mfg (Un)	*	116¼	116¼	119¼	800	113⅛ Jan	121¼ Jan
Mississippi River Fuel	10	39¼	39¼	39¼	200	36⅝ Jan	39¼ Feb
Missouri Portland Cement	12.50	--	81	84½	850	78½ Jan	92 Jan
Modine Manufacturing Co	*	18½	18	19	350	16⅜ Jan	19⅞ Jan
Monroe Chemical Co	*	--	3½	4½	575	3½ Feb	5½ Jan
Monsanto Chemical (Un)	2	40⅝	40½	41⅞	2,400	39 Jan	42⅛ Jan
Montgomery Ward & Co	*	40⅞	40½	41¼	2,100	40½ Feb	43⅛ Jan
Motorola Inc	3	60	60	60	100	58½ Jan	62 Jan
Mount Vernon (The) Co common	1	--	3¼	3¼	200	2⅜ Jan	3¼ Feb
Muskegon Motor Specialities—							
Convertible class A	*	27	27	27¼	547	24¼ Jan	27¾ Jan
National Distillers Prod (Un)	5	30	30	30	1	30 Feb	32 Jan
National Gypsum Co	1	60⅝	60⅝	63⅝	500	60 Jan	63⅝ Jan
National Standard Co	10	--	39⅜	39⅜	250	34¼ Jan	40 Jan
National Tile & Mfg	1	12¼	11½	12¼	500	11½ Feb	13 Jan
New York Central RR	*	26⅞	26⅞	27⅜	400	26⅞ Feb	30⅞ Jan
North American Aviation (Un)	1	--	41	42⅝	1,100	39¾ Jan	45 Jan
North American Car Corp	10	56¾	53⅜	60	16,800	48⅝ Jan	60 Feb
Northern Illinois Corp	*	--	17	17	100	17 Jan	17½ Jan
Northern Illinois Gas Co	5	25¾	25¾	26¼	5,800	25⅝ Jan	26 Jan
Northern Indiana Public Service Co	*	50¼	50¼	50⅜	1,400	50⅛ Jan	51⅛ Jan
Northern Natural Gas Co	10	--	34	34⅜	500	32¾ Jan	36 Jan
Northern States Power Co—							
(Minnesota) (Un)	5	24⅛	23⅞	24⅛	1,300	22⅛ Jan	24½ Jan
Northwest Bancorporation	10	--	91⅛	91⅛	150	90 Jan	94⅞ Jan
Oak Manufacturing Co	1	18¼	17¾	18¼	1,600	17 Jan	19¼ Jan
Ohio Oil Co (Un)	*	--	43	44⅜	800	39⅞ Jan	44⅜ Feb
Oklahoma Natural Gas	7.50	--	28½	28¾	400	27⅞ Jan	30 Jan
Olin-Mathieson Chemical Corp	5	42⅝	42⅝	45	1,800	42⅝ Feb	47½ Jan
Owens-Illinois Glass	6.25	--	83	83½	200	83 Feb	89 Jan
Pacific Gas & Electric (Un)	25	--	62	62⅛	200	62 Feb	65¾ Jan
Pan American World Airways (Un)	1	--	26	27⅝	900	23⅛ Jan	30⅛ Jan
Parker Pen Co class A	2	--	14⅞	14⅞	100	14⅞ Feb	15 Jan
Class B	2	--	14⅜	14⅜	200	14⅜ Feb	14¾ Jan
Patterson-Sargent Co	*	15½	15½	15½	100	15½ Feb	15⅝ Jan
Peabody Coal Co common	5	14	14	14½	800	13⅞ Jan	15 Jan
Penn-Texas Corp common	1	7⅞	7¼	7⅞	5,700	7 Jan	7⅞ Feb
Pennsylvania RR	50	17⅛	17	17⅛	1,300	17 Feb	20⅛ Jan
People's Gas Light & Coke	25	53¾	52¼	54	2,550	50 Jan	54 Feb
Pepsi-Cola Co	33⅓c	29⅝	29½	29¾	900	26½ Jan	29⅞ Jan
Pfizer (Charles) & Co (Un)	1	--	103½	103½	100	99¾ Jan	107¾ Jan
Philco Corp (Un)	3	23½	23½	25	400	22¼ Jan	26 Jan
Phillips Petroleum Co (Un)	*	49⅞	49⅞	49⅞	100	47½ Jan	51⅛ Jan
Potter Co (The)	1	9¼	9	9¼	500	8¼ Jan	9¼ Feb
Public Service Co of Indiana	*	48⅜	46⅞	48⅜	1,300	46 Jan	48⅜ Feb
Pullman Company (Un)	*	--	61	61	100	58⅞ Jan	62 Jan
Pure Oil Co (Un)	5	44	44	44⅜	1,000	43¼ Jan	46¼ Jan
Quaker Oats Co	5	--	52½	53	2,200	49¾ Jan	54¼ Jan
Radio Corp of America (Un)	*	44½	44½	46⅝	1,800	44½ Feb	49¾ Jan
Raytheon Manufacturing Co	5	59	57⅛	59½	700	57 Jan	64⅝ Jan
Republic Steel Corp (Un)	10	72	72	73¼	400	72 Jan	75 Jan
Revlon Inc	1	--	47¾	49	400	47¾ Feb	54⅝ Jan
Rexall Drug (Un)	2.50	35⅛	35⅛	37	1,200	31 Jan	37 Feb
Reynolds Metals Co	1	--	70¼	71¼	400	70¼ Feb	76 Jan
Reynolds (R J) Tobacco cl B (Un)	10	--	102¾	102¾	400	91 Jan	102¾ Jan
Richman Brothers Co	*	27½	26¼	27½	3,800	24½ Jan	27½ Feb
River Raisin Paper	5	15½	15¼	15¾	2,000	14½ Jan	15¾ Feb
Rockwell Spring & Axle	5	--	33¼	33½	300	29¼ Jan	33½ Feb
Royal Dutch Petroleum Co	20 g	46½	46½	47¾	3,200	45¾ Jan	50⅝ Jan
St Louis National Stockyards	*	50½	49¾	51	2,700	49½ Jan	54⅝ Jan
St Louis Public Service class A	13	10¾	10⅝	10⅞	3,000	10⅝ Jan	11 Jan
St Regis Paper Co	5	44¼	44¼	44¼	100	43 Jan	47⅞ Jan
Sangamo Electric Co	10	--	46	47	300	35¾ Jan	47⅝ Jan
Schenley Industries (Un)	1 40	40⅜	40⅜	40⅞	400	38 Jan	44⅝ Jan
Schering Corp	1	55⅜	53⅞	55⅜	700	53½ Jan	59⅝ Jan
Schwitzer Corp	1	32¾	30½	34	2,400	23⅝ Jan	34 Feb
Sears Roebuck & Co	3	41¾	41½	43¾	3,600	35 [illegible]	45¼ Jan
Sheaffer (W A) Pen Co class A	1	8¾	8⅝	9⅛	1,400	8⅝ Feb	9⅜ Jan
Class B	1	8⅞	8⅞	9¼	1,900	8⅞ Feb	9½ Jan
Signode Steel Strapping Co	1	--	40	40	100	39 Jan	40 Feb
Sinclair Oil Corp	5	66¾	66½	67⅛	1,200	61⅝ Jan	67¼ Jan
Socony Mobil Oil (Un)	15	47¾	47¾	49⅞	3,700	47¾ Feb	52⅛ Jan
South Bend Lathe Works	5	26½	26⅜	26½	300	20¼ Jan	27 Jan
Southern Co (Un)	5	--	34⅞	35⅜	400	34⅞ Feb	37⅜ Jan
Southern Pacific Co (Un)	*	66	65¼	66	3,200	64 Jan	69½ Jan
Southwestern Public Service	1	--	42¼	42¼	100	41¾ Jan	42¼ Jan
Sperry Rand Corp (Un)	50c	21⅞	21¾	23⅜	5,000	21¾ Feb	24¾ Jan
Spiegel Inc common	2	27¼	26⅛	27¼	900	23 Jan	27¼ Feb
Square D Co (Un)	5	--	31½	31⅞	700	2[illegible]½ Jan	33 Jan
Standard Brands Inc (Un)	*	66½	66½	66⅞	400	62½ Jan	66⅞ Feb
Standard Dredging common	1	--	17⅛	17⅛	200	15 Jan	17⅞ Jan
Standard Oil of California	6.25	58¼	58¼	59⅝	400	58¼ Feb	61¾ Jan
Standard Oil of Indiana	25	48	47¾	48¼	1,600	47¼ Jan	49⅝ Jan
Standard Oil N J (Un)	7	54½	54⅜	55⅞	8,500	54⅜ Feb	59⅛ Jan
Standard Oil Co (Ohio)	10	64	64	64	100	59¼ Jan	64 Jan
Standard Railway Equipment	1	--	14½	15	500	12⅝ Jan	15 Feb
Storkline Furniture	10	--	16½	16½	10	13½ Jan	16½ Feb
Studebaker-Packard Corp (Un)	10	13½	13½	14½	10,400	13½ Feb	15½ Jan
Sunbeam Corp	1	--	57½	58¼	700	57½ Feb	66½ Jan
Sundstrand Machine Tool	5	28⅞	28¼	29	400	2[illegible] Jan	29⅝ Jan
Sunray Mid-Continent Oil Co	1	27¼	27¼	28¼	1,200	27¼ Feb	29 Jan
Swift & Company	25	37⅛	37	38⅛	12,100	35 Jan	38⅛ Feb
Sylvania Electric Products (Un)	7.50	59⅛	59⅛	59½	200	59⅛ Feb	62⅜ Jan
Tennessee Gas Transmission Co	5	35⅜	35¼	36⅛	5,200	35¼ Feb	38½ Jan
Texas Co (The)	25	--	84	85½	1,000	83⅞ Jan	86⅞ Jan
Texas Gulf Producing	3.33⅓	--	32⅛	32⅛	100	31⅞ Jan	33¼ Jan
Textron Inc	50c	21⅛	20¼	21⅛	1,100	19⅞ Jan	21⅞ Jan
Thompson Ramo-Wooldridge	5	59⅝	57⅝	60	500	57⅝ Feb	66¼ Jan
Thor Power Tool Co	*	28	25½	28⅛	3,150	23⅝ Jan	28⅛ Feb
Toledo Edison Co	5	--	17	17	900	15⅞ Jan	17 Jan
Trane Company	1	--	67½	70	400	62½ Jan	70 Feb
Transamerica Corp (Un)—							
Ex-distribution	2	27¾	27¾	29	600	27¾ Feb	31⅝ Jan
Trav-ler Radio Corp	1	5⅛	5⅛	5⅝	15,300	4⅜ Jan	5⅞ Jan
Tri-Continental Corp (Un)	1	39½	39⅜	39¾	500	39⅜ Feb	41⅜ Jan
20th Century-Fox Film (Un)	1	39¼	39¼	40⅛	300	39 Jan	41¼ Jan
208 So La Salle St Corp	*	--	71⅞	71⅞	120	71½ Jan	71⅞ Feb
Union Carbide Corp	*	123⅜	123⅜	125⅞	500	123⅜ Feb	126½ Jan
Union Oil of California	25	46	46	48⅝	800	44⅝ Jan	48⅝ Feb
Union Pacific RR	10	37⅞	36	37⅞	2,800	35½ Jan	37⅞ Feb
United Air Lines Inc	10	--	35	36⅞	500	30⅞ Jan	36⅞ Feb
United Corporation (Del) (Un)	1	--	8⅝	8⅝	500	8⅜ Jan	8⅞ Jan
United Fruit Co	*	42⅞	42¼	43⅞	900	41⅜ Jan	44 Jan
United States Gypsum	4	--	108	108½	200	97 Jan	108½ Feb
U S Rubber Co (Un)	5	--	48¾	48¾	200	46½ Jan	52 Jan
U S Steel Corp	16⅔	90⅞	90½	95⅞	1,800	90½ Feb	99¾ Jan
Walgreen Co	10	--	48	48	100	47¾ Jan	50 Jan
Webcor Inc	1	12¼	12⅛	12½	6,600	11 Jan	13⅛ Jan
Western Union Telegraph	2½	33⅝	33⅝	35⅜	1,000	30½ Jan	35⅜ Feb
Westinghouse Electric Corp	12.50	72⅝	72	75½	1,200	71½ Jan	76⅛ Jan
Whirlpool Corp	5	30⅝	30⅝	31	500	30 Jan	32 Jan
Wieboldt Stores Inc common	*	17⅜	17	17⅜	400	15¾ Jan	18 Jan
$4.25 preferred	*	--	77	77	40	77 Jan	78 Jan
Wisconsin Bankshares Corp	*	30½	30¼	31	1,900	28 Jan	31 Feb
Wisconsin Electric Power (Un)	10	39¼	39¼	40	500	37⅝ Jan	40½ Jan
Wisconsin Public Service	10	26	26	27	600	25¼ Jan	27⅝ Jan
Woolworth (F W) Co (Un)	10	54¾	54¾	54⅞	300	53¼ Jan	59 Jan
Wrigley (Wm) Jr Co	*	90½	90¼	90½	300	84⅝ Jan	90½ Feb
Youngstown Sheet & Tube	*	127¼	127¼	129¼	300	117 Jan	129¼ Feb
BONDS							
Monroe Chemical 5s	1985	--	70	70	$2,000	70 Feb	70 Feb

For footnotes see page 42.

OUT-OF-TOWN MARKETS

RANGE FOR WEEK ENDED FEBRUARY 6

Pacific Coast Stock Exchange

STOCKS	Par	Friday Last Sale Price	Week's Range of Prices Low	Week's Range of Prices High	Sales for Week Shares	Range Since Jan. 1 Low		Range Since Jan. 1 High	
ACF Industries (Un)	25	--	a50¼	a52⅞	164	50	Jan	50	Jan
Admiral Corp	1	--	17⅝	17⅞	1,111	17⅝	Feb	19¼	Jan
Aeco Corp	10c	71c	70c	75c	31,460	68c	Jan	85c	Jan
Air Reduction Co (Un)	*	a80½	a79¼	a81	116	82	Jan	88	Jan
Alaska Juneau Gold Mining Co	2	3¾	3¾	4	430	3¾	Feb	4⅛	Jan
Alleghany Corp common (Un)	1	--	10½	10½	470	10⅛	Jan	11½	Jan
Allied Artists Pictures Corp	1	--	4⅛	4⅛	200	4⅛	Jan	4⅜	Jan
Allied Chemical Corp (Un)	18	--	99⅜	99⅜	194	94½	Jan	99⅜	Feb
Allis-Chalmers Mfg Co (Un)	10	27½	27½	28⅛	1,659	27½	Feb	30	Jan
Aluminium Ltd	*	--	30½	31⅞	5,035	30⅛	Jan	33¼	Jan
Amerada Petroleum (Un)	*	a103⅝	a101	a103¾	170	a--	---	a--	---
American Airlines Inc com (Un)	1	--	28¼	30	2,009	24½	Jan	30¾	Jan
American Bosch Arma Corp (Un)	2	--	31½	31⅞	140	31½	Jan	34⅝	Jan
American Bdcast-Para Theatres (Un)	1	--	20¾	21	403	20¾	Feb	22⅜	Jan
American Can Co (Un)	12.50	48	47⅞	48⅝	1,382	47¾	Jan	50½	Jan
American Cement preferred	25	24¼	24	24¼	640	23½	Jan	25	Jan
American Cyanamid Co (Un)	10	48	47¾	48⅜	1,891	47¾	Feb	51½	Jan
American Electronics Inc	1	12¼	12¼	12⅝	1,054	12	Jan	13⅞	Jan
American Factors Ltd (Un)	20	36½	36½	37½	260	30½	Jan	39	Jan
American & Foreign Power (Un)	*	--	18	18	102	17¼	Jan	18⅝	Jan
American Motors Corp (Un)	5	33¼	33	37⅜	11,754	33	Feb	43⅜	Jan
American Potash & Chem Corp	*	--	44¾	44¾	250	44¾	Feb	45¾	Jan
American Radiator & S S (Un)	5	16⅝	16¾	17½	4,421	15½	Jan	17½	Feb
American Smelting & Refining (Un)	*	51⅝	51⅞	52	493	46⅞	Jan	53¼	Jan
American Tel & Tel Co	100	--	233¾	233¾	1,770	225⅛	Jan	240	Jan
American Tobacco Co (Un)	25	--	100⅝	100⅝	382	99½	Jan	106½	Jan
American Viscose Corp (Un)	25	39⅞	39⅞	40⅞	1,043	37⅛	Jan	40⅞	Feb
Ampex Corp	1	70¼	70¼	72⅜	2,364	68¼	Jan	73¼	Jan
Anaconda (The) Co (Un)	50	--	68	70	1,564	60¼	Jan	70	Feb
Archer-Daniels-Midland Co	*	46¾	46¾	46¾	100	a--	---	a--	---
Arkansas Louisiana Gas (Un)	5	53	51½	53	196	46⅞	Jan	53	Feb
Armco Steel Corp (Un)	10	--	71¾	72¼	837	66⅜	Jan	72¼	Feb
Armour & Co (Ill) (Un)	5	--	26	27⅛	1,135	23½	Jan	28	Jan
Warrants (Un)		--	15¼	15¼	107	11½	Jan	15¼	Feb
Ashland Oil & Refining (Un)	1	--	20¼	20½	713	19¼	Jan	21⅝	Jan
Associated Dry Goods Corp	1	46	44¾	46¼	105	44⅜	Feb	46¼	Feb
Atchison Topeka & Santa Fe (Un)	10	--	28⅝	29⅛	2,880	27¾	Jan	31	Jan
Atlantic Refining Co (Un)	10	48⅛	48⅛	50⅛	259	44⅜	Jan	50⅜	Jan
Atlas Corp (Un)	1	7½	7½	7⅞	1,637	7¼	Jan	8⅜	Jan
Warrants (Un)		--	4⅛	4¼	210	4	Jan	4½	Jan
Avco Mfg Corp (Un)	3	11⅜	11	12⅛	8,802	10⅝	Jan	12⅞	Jan
Rights		7/32	13/64	15/64	47,528	13/64	Jan	9/32	Jan
Baldwin-Lima-Hamilton Corp (Un)	13	--	14⅝	14⅞	450	14	Jan	16	Jan
Baltimore & Ohio RR (Un)	100	43	43	43	230	43	Feb	47¼	Jan
Bandini Petroleum Co	1	4¾	4⅝	5	12,614	3¾	Jan	5	Feb
Bankline Oil Co	1	7¼	7¼	8	18,802	6⅝	Jan	8⅜	Jan
Barker Bros Corp	5	--	7⅝	8	204	7⅝	Jan	8½	Jan
Barnhart-Morrow Consolidated	1	1.00	60c	1.00	29,950	60c	Feb	1.00	Jan
Beckman Instrument Inc	1	45½	43	46½	1,964	36¾	Jan	46½	Feb
Beech Aircraft Corp	1	--	29⅝	29⅝	116	29	Jan	30½	Jan
Bell Aircraft Corp (Un)	1	--	19⅞	19⅞	150	19⅝	Jan	20⅜	Jan
Benguet Cons Inc (Un)	P 1	1⅝	1⅝	1¾	4,900	1⅝	Jan	1⅞	Jan
Bethlehem Steel Corp (Un)	8	52⅞	52¾	55¼	6,448	51	Jan	55¼	Feb
Bishop Oil Co	2	--	10⅜	11	657	10⅜	Feb	11	Jan
Black Mammoth Cons Min	5c	--	6c	7c	23,600	6c	Feb	9c	Jan
Blue Diamond Corp	2	19¾	19¼	20	2,606	17¾	Jan	20	Jan
Boeing Airplane Co (Un)	5	42⅝	40⅜	43¾	2,718	40⅜	Feb	46¼	Jan
Bolsa Chica Oil Corp	1	6⅝	6½	6¾	2,225	6¼	Jan	8⅜	Jan
Borden Co (Un)	15	--	73⅛	73⅛	236	73⅛	Feb	73⅛	Feb
Borg-Warner Corp (Un)	5	--	39⅝	39⅝	680	39¼	Jan	41⅞	Jan
Broadway-Hale Stores Inc	10	38¾	38¾	38¾	940	37⅝	Jan	40¾	Jan
Budd Company	5	20¾	20½	20¾	343	19⅛	Jan	21⅜	Jan
Budget Finance Plan common	50c	--	7⅜	7⅜	835	7⅛	Jan	7⅜	Jan
6% preferred	10	--	8¾	8¾	294	8½	Jan	8¾	Jan
Bunker Hill Co (Un)	2.50	--	12⅛	12⅛	154	12⅛	Feb	13⅜	Jan
Burlington Industries Inc (Un)	1	15	14⅞	15	955	14⅝	Jan	15½	Jan
Burroughs Corp	5	38	38	38¾	468	38	Feb	41⅞	Jan
Calaveras Cement Co	5	--	39⅞	40	427	36¼	Jan	41½	Jan
California Ink Co	5.50	20¼	20	20¼	1,799	19¾	Jan	20⅞	Jan
California Packing Corp	5	--	53¾	53¾	1,264	49½	Jan	54½	Jan
Canada Dry Corp (Un)	1⅔	21⅛	21⅛	21¾	633	20	Jan	21¾	Jan
Canada Southern Petroleum	1	3¼	3¼	3¼	580	3¼	Feb	3⅝	Jan
Canadian Homestead Oil Ltd	10c	1⅝	1⅝	1¾	100	1⅝	Feb	1¾	Feb
Canadian Pacific Railway (Un)	25	--	30⅜	30⅜	585	29⅜	Jan	31½	Jan
Carrier Corp (Un)	10	44¼	44¼	44¼	262	44¼	Jan	48¼	Jan
Case (J I) & Co (Un)	12.50	--	24½	26⅜	1,186	20½	Jan	26⅜	Feb
Caterpillar Tractor Co common	10	87½	86½	88¼	458	84¼	Jan	89½	Jan
Celanese Corp of America	*	--	27½	28⅛	1,057	27¼	Jan	29¾	Jan
Cenco Instruments Corp	1	--	16½	17	370	14⅝	Jan	17⅝	Jan
Certain-teed Products Corp	1	--	14⅜	15	590	13⅝	Jan	15⅞	Jan
Champlin Oil & Refining (Un)	1	--	23⅜	23¾	110	22⅜	Jan	24⅜	Jan
Chance Vought Aircraft (Un)	1	38⅜	38⅜	39½	377	38⅛	Jan	41¼	Jan
Chesapeake & Ohio Ry (Un)	25	69⅝	69⅝	69⅝	262	68¼	Jan	72⅞	Jan
Chic Milw St Paul RR com (Un)	*	--	27¾	27¾	205	25⅝	Jan	30	Jan
Chicago Rock Island & Pac (Un)	*	31⅞	31⅞	32½	265	31¼	Jan	33¼	Jan
Chrysler Corp	25	--	50¾	52	1,281	50¾	Feb	55	Jan
Cities Service Co (Un)	10	--	62¾	62¾	632	59¾	Jan	64½	Jan
Clary Corp	1	6⅛	5⅞	6⅛	1,404	5¾	Jan	6½	Jan
Colorado Fuel & Iron	*	--	26⅜	28	2,058	24⅛	Jan	28	Feb
Columbia Broadcasting Sys com	2.50	--	38¼	38¼	199	36⅝	Jan	38⅞	Jan
Columbia Gas System (Un)	10	23	22⅝	23⅛	3,228	22	Jan	24⅛	Jan
Commercial Solvents (Un)	1	15⅝	15⅝	15⅝	195	14⅝	Jan	17½	Jan
Commonwealth Edison	25	--	57	57	354	56¼	Jan	57⅞	Jan
Consol Chollar Gould & Savage Min	1	67c	60c	67c	50,400	50c	Jan	69c	Jan
Consolidated Coppermines	5	19½	19½	19½	100	19¼	Jan	20	Jan
Consolidated Edison Co of N Y (Un)	*	65	64⅜	65	1,758	64¼	Jan	67⅞	Jan
Rights		--	42/64	49/64	34,201	[illegible]	Feb	57/64	Jan
Consol Electrodynamics Corp	50c	34¾	34¾	35½	538	34¾	Feb	40	Jan
Consolidated Foods Corp com	1.33⅓	25¾	25¼	25¾	430	23⅜	Jan	25¾	Feb
Consol Natural Gas Co cap (Un)	10	--	53¾	53¾	231	53¾	Feb	53¾	Feb
Continental Can Co (Un)	10	--	54⅝	55	378	54¼	Jan	58⅛	Jan
Continental Motors (Un)	1	11⅛	11	11¼	970	11	Feb	11⅝	Jan
Continental Oil Co (Un)	5	--	66	66	196	62¼	Jan	68⅛	Jan
Crane Company (Un)	25	--	38⅝	38¾	622	35¾	Jan	39	Jan
Crestmont Oil Co	1	--	5⅝	5⅝	200	4¾	Jan	6	Jan
Crown Zellerbach Corp common	5	--	56	56	906	56	Jan	60¼	Jan
Preferred	*	95¾	95¾	95¾	32	94¾	Jan	95¾	Feb
Crucible Steel Co of America (Un)	12½	--	30⅛	30⅞	845	27¼	Jan	31⅜	Jan
Cuban American Oil Co	50c	--	2½	2½	120	2⅜	Jan	2⅝	Jan
Cudahy Packing Co (Un)	5	14⅞	14¼	14⅞	660	14	Jan	15¼	Jan
Curtiss-Wright Corp com (Un)	1	27¾	27¾	28½	1,841	27¾	Jan	29	Jan
Cypress Abbey Co	2	--	1.25	1.25	405	1.15	Jan	1.30	Jan
Decca Records Inc	50c	--	18⅜	18½	1,800	18	Jan	19	Jan
Deere & Co (Un)	1	54⅜	53⅜	54½	515	48¼	Jan	55	Jan
DiGiorgio Fruit Corp class A	2.50	--	13¼	13½	592	13¼	Feb	15¼	Jan
Class B	2.50	14	13	14	2,991	13	Feb	14¾	Jan
Disney Productions	2.50	--	47	50	710	43	Jan	50	Feb
Dome Mines Ltd (Un)	*	18⅝	18⅝	18⅞	250	18½	Jan	19⅝	Jan
Dominguez Oil Fields Co (Un)	*	47	47	47	732	41½	Jan	47	Feb
Dorr-Oliver Inc common	7.50	--	13¾	13¾	137	12	Jan	14¼	Jan
Douglas Aircraft Co	*	54⅜	54⅜	56½	1,203	54⅜	Feb	59⅜	Jan
Douglas Oil Co of Calif	1	--	7¼	7¼	250	7	Jan	7⅞	Jan
Dow Chemical Co	5	77	77	77⅞	637	75½	Jan	80¾	Jan
Dresser Industries	50c	43⅝	43⅝	44¼	715	40¾	Jan	45⅜	Jan
DuMont Lab Inc (Allen B)	1	6½	6⅝	6⅝	250	6½	Jan	7¾	Jan
duPont de Nemours & Co (Un)	5	a208¼	a208¼	a210¼	314	214⅜	Jan	216¼	Jan
Eastman Kodak Co (Un)	10	a137⅞	a137⅞	a143¾	168	146¾	Jan	146¾	Jan
Elder Mines Ltd	1	1¼	1⅛	1¼	100	⅞	Jan	1½	Jan
El Paso Natural Gas	3	--	37⅛	37⅝	1,255	36	Jan	39	Jan
Electric Auto-Lite Co (Un)	5	--	37½	38	220	37	Jan	39¼	Jan
Electric Bond & Share Co (Un)	5	--	34⅛	34⅛	351	34⅛	Jan	35	Jan
Electrical Products Corp	4	--	19¼	19¼	170	18½	Jan	19¼	Feb

STOCKS	Par	Friday Last Sale Price	Week's Range of Prices Low	Week's Range of Prices High	Sales for Week Shares	Range Since Jan. 1 Low		Range Since Jan. 1 High	
Emerson Radio & Phono (Un)	5	--	15⅝	15¾	360	14½	Jan	16¾	Jan
Emporium Capwell Co	20	46	46	46	235	46	Jan	48	Jan
Erie Railroad Co (Un)	*	--	12⅝	12⅝	350	12⅜	Jan	13	Jan
Eureka Corp Ltd capital	1.25	--	⅜	⅜	1,000	5/16	Jan	7/16	Jan
Exeter Oil Co Ltd class A	1	1.15	90c	1.15	18,550	83c	Jan	1.15	Feb
Factor (Max) & Co. class A	1	--	14⅛	14⅛	100	12⅝	Jan	15⅜	Jan
Fairchild Eng & Airplane (Un)	1	--	9⅝	9⅝	165	9⅝	Feb	10¼	Jan
Fargo Oils Ltd	1	7 9/16	7¼	7 13/16	2,214	6⅜	Jan	7 13/16	Feb
Fedders Corp	1	--	17⅞	17⅞	280	17¼	Jan	18⅜	Jan
Fibreboard Paper Prod com	*	a47	a45¼	a47⅜	199	48⅛	Jan	49½	Jan
Firstamerica Corp	2	21	21	21½	2,552	20½	Jan	21¾	Jan
Florida Power & Light (Un)	*	--	a89¼	a90¼	170	90	Jan	96⅜	Jan
Fluor Corp Ltd	2.50	--	24¼	25½	775	22¼	Jan	25½	Feb
Flying Tiger Line Inc (The)	1	13⅝	13⅝	14	1,837	11⅞	Jan	14½	Jan
Food Mach & Chem Corp	10	41¼	41	42	1,390	41	Feb	45¼	Jan
Ford Motor Co	5	52⅝	52⅝	54¾	2,886	51	Jan	56	Jan
Foremost Dairies	2	--	21⅛	21⅜	1,085	20⅛	Jan	21¾	Jan
Friden Inc	1	60⅜	60¼	62	1,289	60¼	Jan	68¼	Jan
Fruehauf Trailer Co	1	21	20⅜	21½	4,941	18¾	Jan	21½	Feb
Garrett Corporation	2	--	39¼	39⅞	144	35¼	Jan	41¼	Jan
General Amer Oil of Texas	5	37	37	37½	936	35¼	Jan	38⅞	Jan
General Controls Co	5	25	24⅜	26	2,488	24	Jan	26⅝	Jan
General Dynamics Corp	1	60⅛	60⅛	62	1,154	60⅛	Feb	65⅝	Jan
General Electric Co (Un)	5	76⅞	76⅞	77¼	1,050	76⅞	Feb	80¼	Jan
General Exploration Co of Calif	1	a26½	a25⅜	a29¾	7,070	17¾	Jan	29⅝	Jan
General Foods Corp (Un)	*	--	76	76	317	75	Jan	79¾	Jan
General Motors Corp common	1⅔	46¾	46¾	48¾	15,008	46¾	Feb	50⅝	Jan
General Pacific Corp	*	16¼	16¼	16¼	116	16	Jan	16¼	Jan
General Public Service (Un)	10c	--	5⅞	5⅞	127	5¼	Jan	5⅞	Feb
General Public Utilities (Un)	5	48¾	48¾	48¾	159	48¾	Feb	52	Jan
General Telephone (Un)	10	60½	60½	64½	824	60½	Feb	64⅝	Jan
General Tire & Rubber Co	83⅓c	--	47⅝	49	601	44¾	Jan	49	Feb
Georgia Pacific Corp	1	--	60¼	60⅜	527	56¾	Jan	60⅞	Jan
Getty Oil Co common	4	25⅞	25⅞	26⅜	665	25⅞	Feb	28	Jan
Gillette Co	1	--	45¾	45¾	180	45¾	Feb	48⅝	Jan
Gimbel Brothers (Un)	5	--	38¼	38¼	575	37½	Jan	38¼	Feb
Gladden Products Corp	1	--	2.60	2.70	2,413	2.60	Jan	2.95	Jan
Gladding McBean & Co	5	23¾	23⅝	25¾	1,137	23½	Jan	27¼	Jan
Goebel Brewing Co	1	--	4⅛	4⅜	312	3⅛	Jan	4½	Jan
Good Humor Co of Calif	10c	93c	85c	93c	23,740	51c	Jan	95c	Jan
Goodyear Tire & Rubber	5	122	122	122	250	119½	Jan	124	Jan
Grace (W R) & Co (Un)	1	--	44½	44½	338	44½	Feb	45½	Feb
Graham-Paige Corp (Un)	*	3½	3	4	22,595	2⅝	Jan	4	Feb
Great Lakes Oil & Chem Co	1	--	1¾	2⅛	4,070	1⅝	Jan	2⅛	Feb
Great Northern Ry (Un)	*	--	54½	56	1,230	50⅜	Jan	56⅜	Jan
Great Western Financial Corp	1	--	43	44	577	40⅜	Jan	48¾	Jan
Great Western Producers com	60c	--	5⅛	5⅛	102	5⅛	Feb	5⅛	Feb
Greyhound Corp	3	18⅞	18⅞	19	2,680	17¾	Jan	19	Feb
Gulf Oil Corp (Un)	25	--	125	125	329	124½	Jan	126¼	Jan
Hammond Organ Co (Un)	1	--	a45	a45	50	a--	---	a--	---
Hartfield Stores Inc	1	a10⅞	a9¾	a10⅞	140	8⅞	Jan	10	Jan
Hawaiian Pineapple	7½	18	17¾	18⅛	5,258	17⅛	Jan	18¾	Jan
Hercules Powder Co (Un)	2 1/12	--	55	55	216	55	Feb	56¼	Jan
Hiller-Aircraft Corp	1	12¼	12¼	12¾	347	12⅛	Jan	14⅜	Jan
Hilton Hotels Corp	2.50	32⅛	31¾	32⅛	525	31¾	Jan	35	Jan
Hoffman Electronics	50c	--	38⅝	39⅝	120	37½	Jan	41½	Jan
Holly Development Co	1	1.40	1.35	1.50	14,223	89c	Jan	1.50	Jan
Holly Oil Co (Un)	1	--	3⅛	3⅛	100	2.60	Jan	3⅛	Jan
Homestake Mining Co (Un)	12.50	45⅞	45½	47⅛	752	43¾	Jan	48⅜	Jan
Howe Sound Company (Un)	1	14	14	14¾	460	14	Jan	15¼	Jan
Hupp Corp (Un)	1	--	5¾	6	580	5½	Jan	6	Jan
Idaho Maryland Mines Corp (Un)	50c	32c	31c	32c	11,305	31c	Jan	38c	Jan
Ideal Cement Co cap new w i	5	32½	31¼	32⅝	1,863	31¼	Feb	32⅝	Feb
Imperial Development Co Ltd	10	--	61c	64c	39,050	34c	Jan	67c	Jan
International Harvester	*	39⅞	39⅞	40	1,804	39⅞	Feb	42⅝	Jan
Int'l Nickel Co of Canada (Un)	*	--	92	92	386	86⅞	Jan	92	Feb
International Paper Co (Un)	7.50	--	120	120	291	118	Jan	121⅛	Jan
International Tel & Tel (Un)	*	58¾	56	59⅜	1,308	56	Feb	63¼	Jan
New common		--	29¼	29¼	190	29¼	Feb	31	Jan
Intex Oil Co	33⅓c	10½	10½	10½	100	10½	Feb	11½	Jan
Jade Oil	50c	2.35	2.35	2.50	1,435	2.30	Jan	2.50	Jan
Johns-Manville Corp (Un)	5	55	54	55⅞	1,240	52¾	Jan	55⅞	Feb
Jones & Laughlin Steel (Un)	10	--	66	66	576	61	Jan	67	Jan
Kaiser Alum & Chem Corp com	33⅓c	--	38⅝	39¾	1,739	38⅝	Feb	43⅝	Jan
Kaiser Industries	4	13⅛	13⅛	13½	4,105	13	Jan	14¼	Jan
Kennecott Copper (Un)	*	--	106⅝	107⅜	936	103⅜	Jan	107¾	Feb
Kern County Land Co	2½	--	57½	57½	502	57½	Feb	62⅝	Jan
Lear Inc	50	10½	10½	10⅝	375	9¼	Jan	11¼	Jan
Lehman Corp (Un)	1	30¼	30⅛	30⅞	148	29¾	Jan	30⅞	Jan
Leslie Salt Co	10	60	60	60½	230	60	Feb	63	Jan
Libby McNeill & Libby common	7	13¼	13	13½	1,965	12¼	Jan	13¾	Jan
Liggett & Myers Tobacco (Un)	25	--	91	92	502	91	Feb	93⅛	Jan
List Industries Corp (Un)	1	--	9¾	9¾	101	9¾	Feb	9¼	Feb
Lithium Corp of America	1	a22½	a22½	a23⅛	160	23	Jan	25	Jan
[illegible] Industries Inc	10c	--	77½	77½	240	76¼	Jan	81¾	Jan
Lockheed Aircraft Corp new com w i	1	30⅛	30⅛	31½	4,007	30⅛	Feb	32⅜	Jan
Loew's Inc (Un)	*	--	20½	20⅝	367	20½	Jan	21⅞	Jan
Lone Star Cement com (Un)	4	--	34⅜	34⅜	108	34⅜	Feb	36¾	Jan
Lorillard (P) Co (Un)	10	84¾	84¾	84¾	319	79⅞	Jan	86¼	Jan
M J M & M Oil Co (Un)	10c	55c	55c	65c	174,415	48c	Jan	65c	Feb
Macy & Co (R H) common	*	40⅜	40⅜	40⅜	150	38	Jan	41¼	Jan
Magnavox Co (Un)	1	50	50	54¼	594	49½	Jan	54¼	Feb
Martin Co	1	35¼	35⅛	35¼	392	32¾	Jan	35⅜	Jan
Matson Navigation Co (Un)	*	54⅜	53½	57½	3,575	49½	Feb	58	Feb
McBryde Sugar Co (Un)	5	7	7	7	80	7	Feb	7	Feb
McKesson & Robbins Inc (Un)	18	--	67	67	160	65¼	Jan	67	Feb
Meier & Frank Co Inc	10	--	17½	17½	270	15⅞	Jan	22	Jan
Merchants Petroleum Co	25c	1.95	1.95	2.00	6,152	1.75	Jan	2.20	Jan
Merck & Co Inc (Un)	16⅔c	71	71	71	219	71	Feb	75⅝	Jan
Merritt-Chapman & Scott (Un)	12.50	--	21	22⅛	2,115	18⅝	Jan	22⅛	Feb
Middle South Util Inc	10	--	47½	47½	197	47½	Jan	47⅝	Jan
Mindanao Mother Lode Mines	p. 10	--	2c	3c	166,300	2c	Jan	3c	Jan
Mission Develop Co (Un)	5	--	23⅞	24⅜	190	22½	Jan	26	Jan
Mississippi River Fuel Corp	10	--	38⅝	38⅝	282	36½	Jan	38⅝	Feb
Monolith Portland Cement com (Un)	*	--	26¼	26¼	10	26¼	Jan	27	Jan
Preferred (Un)	10	--	14	14	100	13	Jan	14	Jan
Monsanto Chemical	2	--	41¼	41¾	1,437	38¾	Jan	42⅛	Jan
Montana-Dakota Utilities (Un)	5	33¾	32¾	33¾	511	29	Jan	33¾	Feb
Montgomery Ward & Co (Un)	*	40⅞	40⅝	41¼	3,183	40⅝	Feb	43⅛	Jan
Montrose Chemical	1	17	16¾	20⅜	4,284	13	Jan	20⅜	Feb
Motorola Inc (Un)	5	59½	59½	61⅝	106	58¾	Jan	62¾	Jan
Mt Diablo Co	1	4½	4½	4½	2,000	4¼	Jan	4½	Jan
National Auto Fibres	1	--	16	16	236	15⅛	Jan	18	Jan
National Biscuit Co (Un)	10	--	53½	53½	270	49⅝	Jan	54½	Jan
National City Lines	1	30⅛	30⅛	30½	412	30⅛	Feb	31⅞	Jan
National Distillers & Chem Corp (Un)	5	30	30	30⅛	643	29⅞	Jan	32	Jan
National Gypsum Co (Un)	1	--	63⅞	64⅛	349	62¼	Jan	64¾	Jan
National Steel Corp (Un)	10	--	81½	81½	255	81¼	Jan	91½	Feb
National Theatres Inc (Un)	1	11	11	11⅜	1,242	10½	Jan	12	Jan
Natomas Company	1	8¾	8¾	9¼	2,398	7¾	Jan	9½	Jan
New England Electric System (Un)	1	--	20⅞	20⅞	180	19¾	Jan	21⅛	Jan
New Idria Min & Chem Co	50c	1⅜	1⅜	1⅜	300	⅞	Jan	1⅜	Feb
New Park Mining Co	1	--	2¼	2⅜	100	1½	Jan	2⅜	Feb
N Y Central RR Co (Un)	*	--	26⅞	27⅛	560	26⅞	Feb	30¾	Jan
Niagara-Mohawk Power (Un)	*	--	39½	40	564	38⅜	Jan	40¾	Jan
Nordon Corp Ltd	1	25c	24c	27c	46,344	24c	Feb	32c	Jan
Norris Oil Co	1	2.70	2.35	2.70	4,700	2.10	Jan	2.70	Feb
North American Aviation (Un)	1	40½	40¼	42½	1,093	39⅞	Jan	45¾	Jan
North American Invest common	1	31	29½	31	310	24½	Jan	31	Jan
5½% preferred	25	--	23	23	100	23	Jan	24	Jan
Northern Pacific Railway (Un)	5	48¼	48¼	49¼	452	48¼	Feb	51⅞	Jan
Northrop Aircraft Inc	1	33	[illegible]	34	4,645	[illegible]	Jan	36	Jan

For footnotes see page 42.

OUT-OF-TOWN MARKETS

RANGE FOR WEEK ENDED FEBRUARY 6

Stocks	Par	Friday Last Sale Price	Week's Range Low	Week's Range High	Sales for Week Shares	Range Since Jan. 1 Low	Range Since Jan. 1 High
Oahu Sugar Co Ltd (Un)	20	—	18	18¾	343	15¾ Jan	19 Jan
Occidental Petroleum	20c	3¾	3⅝	3⅞	19,705	3½ Jan	4 Jan
Ohio Oil Co (Un)	*	—	43⅜	44¼	645	40 Jan	44¼ Feb
Olaa Sugar Co Ltd (Un)	20	—	7	7	100	7 Jan	8 Jan
Olin Mathieson Chemical Corp	5	43	43	45⅛	1,863	43 Feb	47½ Jan
Owens-Illinois Glass Co	6.25	a81¾	a81¾	a84¼	140	a— —	a— —
Pacific Cement & Aggregates	5	—	22⅛	22½	1,791	19⅞ Jan	23¼ Jan
Pacific Clay Products	8	35	35	35⅜	645	34¼ Jan	37½ Jan
Pacific Gas & Electric common	25	61½	61½	62	4,125	61¼ Jan	65⅛ Jan
6% 1st preferred	25	31⅜	31⅛	31⅜	2,569	31 Jan	31⅞ Jan
5½% 1st preferred	25	—	28⅝	28⅝	287	28 Jan	28⅞ Jan
5% 1st preferred	25	26⅛	26⅛	26⅛	350	25½ Jan	27¾ Jan
5% red 1st pfd	25	25⅝	25¼	25⅝	683	25 Jan	26 Jan
5% red 1st pfd "A"	25	—	25⅝	25⅝	485	25¼ Jan	26¼ Jan
4.50% red 1st preferred	25	—	22¾	22⅞	130	22⅜ Jan	23¼ Jan
4.36% red 1st pfd	25	21¾	21¾	22¼	225	21¾ Feb	22⅝ Jan
Pacific Indemnity Co	10	67½	67½	69	500	67½ Feb	70¼ Jan
Pacific Industries Inc	2	—	5	5¼	1,655	5 Jan	5¾ Jan
Pacific Lighting Corp common	*	53⅝	53⅜	54½	1,905	52 Jan	55¾ Jan
$4.75 convertible preferred	*	—	141	141	30	135¾ Jan	143½ Jan
$4.50 preferred	*	—	90⅝	91	130	90 Jan	91 Feb
$4.40 preferred	*	—	88⅜	88⅜	50	88⅜ Feb	88⅜ Feb
$4.36 preferred	*	—	88½	89½	60	86½ Jan	89½ Feb
Pacific Northern Airlines	1	4⅝	4⅝	4⅝	180	4⅛ Jan	5¾ Jan
Pacific Oil & Gas Development	33⅓c	3	2.25	3	3,300	2.25 Jan	3.00 Jan
Pacific Petroleums Ltd	1	17	17	17⅝	2,163	17 Feb	19⅛ Jan
Pacific Tel & Tel common	100	157	156½	158½	867	149 Jan	168 Jan
Preferred	100	—	135	135	107	135 Feb	138 Jan
Pan American World Airways (Un)	1	27	26	28⅝	4,487	23¼ Jan	30⅛ Jan
Paramount Pictures Corp (Un)	1	47	46⅞	47	473	46⅛ Jan	47 Jan
Parke, Davis & Co (Un)	*	a37	a37	a38½	381	37½ Jan	41 Jan
Penney (J C) Co (Un)	*	a108¼	a108¼	a111¼	326	101 Jan	104½ Jan
Pennsylvania RR Co (Un)	50	16⅞	16⅞	17⅛	914	16⅞ Feb	20½ Jan
Pepsi-Cola (Un)	33⅓c	—	29⅛	29⅝	730	26½ Jan	30⅛ Jan
Pepsi-Cola United Bottlers	1	7⅛	6¾	7¼	25,590	5⅜ Jan	7¼ Feb
Pfizer (Chas) & Co Inc (Un)	1	—	103¾	103¾	200	99¾ Jan	103¾ Feb
Phelps Dodge Corp (Un)	12.50	—	63½	64⅛	182	60½ Jan	65 Jan
Philco Corp (Un)	3	23½	22¾	24⅞	1,990	21¾ Jan	26⅛ Jan
Philippine Long Dist Tel (Un)	p. 10	7	7	7⅛	934	7 Jan	7⅛ Feb
Phillips Petroleum Co	5	49⅛	49⅛	51⅝	2,412	47¾ Jan	51⅝ Feb
Procter & Gamble Co (Un)	2	—	75⅝	75⅝	440	74¾ Jan	77 Jan
Puget Sound Pulp & Timber	3	—	22⅜	22⅜	156	18¼ Jan	24¼ Jan
Pullman Inc (Un)	*	a61¼	a60¼	a61¾	267	59 Jan	61⅜ Jan
Pure Oil Co (Un)	5	—	44	44	130	43⅝ Jan	46 Jan
Radio Corp of America (Un)	*	44¼	44¼	46⅞	1,196	44¼ Feb	50 Jan
Rayonier Incorporated	1	—	20⅞	21⅛	895	20¼ Jan	22¾ Jan
Raytheon Mfg Co (Un)	5	—	57⅝	60	1,188	56⅜ Jan	66 Jan
Reiter-Foster Oil Corp	50c	—	⅞	⅞	600	⅞ Jan	1 Jan
Republic Aviation Corp (Un)	1	—	26⅝	28⅛	620	26⅝ Feb	28¼ Jan
Republic Pictures (Un)	50c	—	9⅛	9¼	356	8½ Jan	9½ Jan
Republic Steel Corp (Un)	10	71¼	71¼	72¾	490	71¼ Feb	74¾ Jan
Reserve Oil & Gas Co	1	36½	34¾	37¾	7,227	31¼ Jan	38 Jan
Revlon Inc	1	—	48½	48½	235	47½ Jan	54½ Jan
Rexall Drug Inc Co	2.50	35½	35	37¼	2,915	31¼ Jan	37¼ Feb
Reynolds Metals Co (Un)	1	67¼	67¼	72	910	67¼ Feb	74 Jan
Reynolds Tobacco class B (Un)	10	a102½	a100⅞	a103⅞	227	101½ Jan	103 Jan
Rheem Manufacturing Co	1	—	18⅝	18⅞	951	18⅛ Jan	20½ Jan
Rice Ranch Oil Co	1	—	1.00	1.05	12,950	96c Jan	1.05 Jan
Richfield Oil Corp	*	102½	102½	102½	185	99½ Jan	106⅞ Jan
Rockwell-Standard Corp (Un)	5	—	33¼	33¼	468	29¾ Jan	33¼ Feb
Rohr Aircraft common new	1	—	22½	23	1,211	21⅞ Jan	23⅛ Jan
Royal Dutch Petroleum Co (Un)	20 g	—	46⅝	48	2,699	45½ Jan	50 Jan
Ryan Aeronautical Co	1	37	37	37	347	34¼ Jan	39⅝ Jan
S and W Fine Foods Inc	10	—	16	16	125	16 Jan	16½ Jan
Safeway Stores Inc	1.66⅔	39	39	39¼	5,042	39 Jan	42 Jan
St Louis-San Francisco Ry (Un)	*	—	23	23½	645	21½ Jan	23½ Feb
St Regis Paper Co (Un)	5	44	44	48	287	43¼ Jan	48 Feb
San Diego Gas & Elec com	10	26⅜	26¼	26⅝	1,661	26¼ Jan	27½ Jan
5% preferred	20	—	21½	21½	270	21½ Feb	21½ Feb
Sapphire Petroleums Ltd	1	1 3/16	1⅛	1 3/16	300	1⅛ Jan	1⅜ Jan
Schenley Industries (Un)	1.40	40¼	39½	40¼	1,476	38⅝ Jan	44⅝ Jan
Schering Corp (Un)	1	a54⅞	a54¼	a55⅝	129	58¼ Jan	59⅞ Jan
Scott Paper Co	*	73¾	73¾	74⅝	128	73½ Jan	75¾ Jan
Seaboard Finance Co	1	23⅞	23⅞	24⅛	683	23⅞ Jan	24⅜ Jan
Sears Roebuck & Co	3	—	41¾	42⅝	2,431	39½ Jan	45¼ Jan
Servel Incorporated (Un)	1	—	9⅞	9⅞	250	9⅜ Jan	10½ Jan
Servomechanisms Inc	20c	—	9¼	9¼	115	9¼ Feb	10½ Jan
Sharon Steel Corp (Un)	*	—	47	47¼	408	36⅞ Jan	47¼ Feb
Shasta Water Co (Un)	2.50	8	7⅜	8	621	6½ Jan	8 Feb
Shell Transport & Trading N Y shrs		—	20⅜	20⅞	985	20⅜ Feb	22 Jan
Siegler Corp	1	—	31⅜	32⅞	1,132	27⅛ Jan	33 Jan
Signal Oil & Gas Co class A	2	41	41	43	5,499	37⅞ Jan	43¾ Jan
Preferred	25	—	25	25	106	23⅛ Jan	25½ Jan
Sinclair Oil Corp (Un)	15	—	66½	67¼	1,050	63 Jan	67¼ Feb
Smith-Corona-Marchant Inc	5	20	20	20⅜	469	20 Feb	21⅜ Jan
Socony Mobil Oil Co (Un)	15	47¾	47⅝	49½	2,637	47⅝ Feb	51¾ Jan
Solar Aircraft Co	1	20⅞	20⅞	20⅞	220	20¾ Jan	23 Jan
Southern Calif Edison Co common	25	60¼	60⅛	60¾	3,082	59 Jan	62½ Jan
4.48% conv pfd	25	—	50	50	152	50 Feb	52½ Jan
4.32% preferred	25	—	22⅝	22⅝	242	21⅜ Jan	23⅜ Jan
Southern Calif Gas Co pfd series A	25	—	30⅛	30⅝	1,608	30⅛ Jan	31¾ Jan
6% preferred	25	—	30	30	100	30 Feb	30¼ Jan
Southern Calif Petroleum	2	5¼	5⅛	5⅜	600	4⅜ Jan	5⅞ Jan
Southern Co (Un)	5	a35⅝	a34¾	a35⅝	351	35⅝ Jan	37 Jan
Southern Pacific Co	*	66	64¼	66⅛	4,688	63¾ Jan	69½ Jan
Southern Railway Co (Un)	*	56½	56	56½	625	56 Feb	59 Jan
Southwestern Public Service	1	—	42¼	42¼	134	41½ Jan	42¾ Jan
Sperry-Rand Corp	50c	22	21¾	23⅛	5,608	21¾ Feb	24¾ Jan
Warrants (Un)		—	10⅛	10⅛	420	10⅛ Feb	11⅜ Jan
Spiegel Inc common	2	27	27	27	318	22⅞ Jan	27 Feb
Standard Brands Inc (Un)	*	a66⅝	a66¼	a66¾	181	a— —	a— —
Standard Oil Co of California	6¼	58	57¾	60¼	6,461	57¾ Feb	62 Jan
Standard Oil Co (Ind)	25	—	48⅛	48⅛	378	47¼ Jan	49¼ Jan
Standard Oil Co of N J (Un)	7	54⅜	54¼	55½	9,457	54¼ Feb	59 Jan
Standard Oil (Ohio) (Un)	10	—	64	64	170	60½ Jan	64 Feb
Stanley Warner Corp (Un)	5	23⅜	23	24¼	716	18 Jan	24¼ Feb
Statham Instruments	1	—	25⅜	25¾	835	23 Jan	26¼ Jan
Stauffer Chemical Co common	10	104	104	104	537	101½ Jan	104 Feb
Sterling Drug Inc (Un)	5	—	45	45½	379	45 Feb	48½ Jan
Stone & Webster Inc (Un)	1	a58	a58	a58¾	100	a— —	a— —
Studebaker Packard	1	13½	13½	14½	5,089	13½ Feb	15½ Jan
Sunray Mid-Continent Oil (Un)	1	27⅛	27⅛	28⅛	1,304	27⅛ Feb	29 Jan
Sunset International Petroleum	1	4⅝	4⅝	4⅞	6,030	4¼ Jan	5⅞ Jan
Superior Oil Co (Calif)	25	—	a1999¼	a2000¾	19	1835 Jan	1840 Jan
Swift & Co (Un)	25	—	37¼	37⅜	667	35¾ Jan	37⅞ Jan
Sylvania Electric Products	7.50	—	60	60	536	59⅞ Jan	63¼ Jan
TXL Oil Corp (The) (Un)	1	—	24⅛	24⅛	190	22⅛ Jan	24⅛ Feb
TelAutograph Corp	1	—	9	9	220	9 Feb	10 Jan
Tennessee Gas Transmission	5	35½	35⅜	36⅛	2,537	35⅜ Feb	38 Jan
Texas Co (Un)	25	—	83	84⅞	919	83 Feb	86⅝ Jan
Texas Gulf Sulphur Co (Un)	*	22⅝	22⅜	23⅛	1,873	21¾ Jan	23⅜ Jan
Textron Inc common	50c	21⅞	20	22	2,749	19⅞ Jan	22 Feb
$1.25 preferred	*	—	a23½	a24⅛	180	23⅞ Jan	23⅞ Jan
Thriftimart Inc	1	—	34¼	36	1,027	32½ Jan	36 Jan
Tidewater Oil common	10	—	24⅛	24⅝	1,414	23⅜ Jan	25⅜ Jan
Transamerica Corp "Ex dist"	2	27⅞	27½	29	3,413	27½ Feb	32 Jan
Trans World Airlines Inc	5	17¾	17⅜	17¾	350	17 Jan	19⅜ Jan
Tri-Continental Corp (Un)	1	39½	39½	40¼	1,123	39½ Feb	41⅛ Jan
Twentieth Century-Fox Film (Un)	1	38¼	38¼	39⅝	573	38¼ Feb	41⅝ Jan
Union Carbide Corp	*	—	a124	a126⅛	145	124½ Jan	124½ Jan
Union Electric Co (Un)	10	33⅝	33⅝	33⅜	317	33⅝ Feb	35 Jan
Union Oil Co of Calif	25	46	45¾	48⅝	4,499	44⅝ Jan	48⅝ Feb
Union Pacific Ry Co (Un)	10	37½	36⅛	37¾	3,712	35¾ Jan	37¾ Feb
Union Sugar common	12.50	36	36	37½	955	35½ Jan	38¾ Jan
United Air Lines Inc	10	34⅞	34⅞	36½	728	31 Jan	36⅝ Jan
United Aircraft Corp (Un)	5	—	60½	61⅝	663	59⅝ Jan	62 Jan
United Cuban Oil Inc	10c	—	⅝	11/16	300	9/16 Jan	11/16 Jan
United Fruit Co	*	43⅛	42⅜	43⅜	1,414	41½ Jan	43½ Jan
United Gas Corp (Un)	10	—	a39⅛	a40	115	40 Jan	42¾ Jan
United Park City Mines Co (Un)	1	—	1¾	1¾	200	1⅜ Jan	1¾ Jan
U S Industries Inc common	1	—	11	11	287	10⅜ Jan	11⅜ Jan
U S Plywood Corp	1	—	47⅞	48⅛	318	42⅝ Jan	48⅜ Jan
U S Rubber (Un)	5	—	49	49	293	46½ Jan	50½ Jan
U S Steel Corp common	16⅔	90⅛	90⅛	96	2,902	90⅛ Feb	98⅜ Jan
Universal Consol Oil	10	48½	48	50	1,109	48 Feb	52½ Jan
Utah-Idaho Sugar Co (Un)	5	—	7⅛	7⅛	100	7⅛ Jan	7⅛ Jan
Vanadium Corp of America (Un)	1	—	39	39	200	36⅞ Jan	42 Jan
Victor Equipment Co	1	—	30	30¼	900	30 Feb	32½ Jan
Warner Bros Pictures Inc (Un)	5	29½	29½	29½	128	29½ Feb	29½ Feb
Washington Water Power	*	—	46	46	192	46 Jan	47⅜ Jan
Westates Petroleum new com (Un)	2	—	9¼	9¼	246	8 Jan	9⅜ Jan
Preferred (Un)	1	11¾	11¾	11¾	180	11 Jan	13¾ Jan
West Coast Life Insurance (Un)	5	—	42½	42½	312	42⅛ Jan	44 Jan
Western Dept Stores	25c	—	14½	15⅜	1,635	13⅝ Jan	15⅜ Feb
Western Union Telegraph (Un)	2.50	—	35	35	390	30½ Jan	35 Feb
Westinghouse Air Brake (Un)	10	—	32⅝	32¾	203	32½ Jan	34⅝ Jan
Westinghouse Elec Corp (Un)	12.50	—	73⅞	73⅞	858	71⅝ Jan	74¾ Jan
Wheeling Steel Corp (Un)	10	—	59⅜	59⅜	190	56½ Jan	59⅜ Feb
Williston Basin Oil Exploration	10c	16c	14c	16c	8,100	13c Jan	17c Jan
Wilson & Co Inc (Un)	*	33¾	33¾	33¾	124	33 Jan	35 Jan
Woolworth (F W) (Un)	10	54¾	54¾	55½	845	54⅜ Jan	58¼ Jan
Yellow Cab Co common	1	7⅞	7⅞	7⅞	100	7⅝ Jan	9 Jan
Preferred	25	23	23	23	150	22½ Jan	23 Jan
Youngstown Sheet & Tube (Un)	*	—	128⅜	128⅜	290	126 Jan	128⅜ Feb
Zenith Radio Corp (Un)	1	183	183	183	268	183 Feb	183 Feb

Philadelphia-Baltimore Stock Exchange

Stocks	Par	Friday Last Sale Price	Week's Range Low	Week's Range High	Sales for Week Shares	Range Since Jan. 1 Low	Range Since Jan. 1 High
Alan Wood Steel common	10	35	31⅜	35⅛	4,721	24 Jan	35⅛ Feb
American Stores Co	1	99¾	9¾	101½	332	96¾ Jan	104¾ Jan
American Tel & Tel	100	233¼	230½	234½	3,302	224⅜ Jan	240⅝ Jan
Arundel Corporation	*	35⅝	34⅞	35⅞	717	30⅞ Jan	35⅜ Jan
Atlantic City Electric Co	6.50	40⅝	40⅛	42¼	2,623	39¼ Jan	44½ Jan
Baldwin-Lima-Hamilton	13	—	14¼	14⅞	785	14⅛ Jan	16⅜ Jan
Baltimore Transit Co common	1	8¾	8½	8⅞	1,842	8⅜ Jan	9⅝ Jan
Bankers Secur Corp 6% partic pfd	50	—	96	96	75	96 Feb	96 Feb
Budd Company	5	20⅛	19⅞	21	572	19¼ Jan	21¼ Jan
Campbell Soup Co	1.80	52¼	51½	53½	408	48¾ Jan	54¾ Jan
Chrysler Corp	25	51½	50⅜	52¼	2,246	50¾ Jan	55¼ Jan
Curtis Publishing Co	1	—	14⅝	15	375	14⅝ Feb	16⅝ Jan
Delaware Power & Light common	13½	58	57½	59	353	57½ Feb	61½ Jan
Duquesne Light new	5	25¼	25¼	25⅞	2,567	25¼ Jan	26⅞ Jan
Electric Storage Battery	10	40¼	39¾	40½	606	38⅜ Jan	40½ Feb
Ford Motor Co	5	51⅝	51⅝	54⅝	796	50¾ Jan	56⅜ Jan
Foremost Dairies	2	21⅛	21	21½	2,125	20 Jan	21⅞ Jan
General Acceptance Corp	1	—	17¾	18	130	17⅛ Jan	18 Jan
General Motors Corp	1.66⅔	46½	46⅜	49	9,489	46⅜ Feb	51 Jan
Gimbel Brothers	5	39	38⅜	39	57	37 Jan	39 Feb
Hamilton Watch Co vtc	1	—	18	19	150	17½ Jan	19 Feb
Lehigh Coal & Navigation	10	10½	10½	10⅞	75	10⅜ Jan	11⅛ Jan
Madison Fund Inc	1	18½	18½	20	511	18⅛ Jan	20⅛ Jan
Martin (The) Co	1	—	34¾	36	347	32¾ Jan	36 Feb
Merck & Co Inc	16⅔c	69¾	69¾	73¾	540	69¾ Jan	77¼ Jan
Pennsalt Chemicals Corp	10	76¾	74½	76¾	157	74½ Feb	79¼ Jan
Pennsylvania Power & Light	*	56	55	56¾	1,924	55 Feb	58 Jan
Pennsylvania RR	50	17	16⅞	17⅜	3,090	16⅞ Feb	20⅛ Jan
Philadelphia Electric common	*	51½	49⅜	51½	5,675	48⅞ Jan	51½ Feb
Philadelphia Transportation Co	10	8¾	8¼	9⅛	10,967	7⅞ Jan	9¾ Jan
Philco Corp	3	23½	23½	25⅛	1,504	22 Jan	26½ Jan
Potomac Electric Power common	10	—	28½	29¼	2,191	27¼ Jan	29½ Jan
Progress Mfg Co	1	—	15⅛	15¾	575	14½ Jan	15¾ Feb
Public Service Electric & Gas com	*	39⅛	39⅛	40⅜	2,120	38⅜ Jan	41 Jan
Reading Co common	50	—	22⅜	23⅜	273	22⅜ Feb	24¾ Jan
Scott Paper Co	*	73¾	73¾	75	540	72¼ Jan	76¼ Jan
Smith Kline & French Lab	33⅓c	99¾	99¼	101¾	627	97¾ Jan	104¼ Jan
South Jersey Gas Co	5	—	44½	48¾	385	44½ Feb	48¾ Jan
Sun Oil Co	*	63½	62½	64¼	791	62 Jan	65¼ Jan
Union Trust Co of the District of Columbia	10	—	46	46	100	42 Jan	46 Feb
United Corp	1	—	8½	8⅝	110	8⅜ Jan	9 Jan
United Gas Improvement	13½	53	50	53½	658	48¾ Jan	53¾ Jan
Washington Gas Light common	*	—	50½	51¼	191	47¾ Jan	51¼ Feb
Woodward & Lothrop common	10	—	58¼	59	120	57 Jan	59 Feb
BONDS							
Baltimore Transit Co 4s ser A	1975	—	83½	84	$1,500	83 Jan	84 Jan

Pittsburgh Stock Exchange

Stocks	Par	Friday Last Sale Price	Week's Range Low	Week's Range High	Sales for Week Shares	Range Since Jan. 1 Low	Range Since Jan. 1 High
Allegheny Ludlum Steel	1	—	49¾	50¾	77	45⅜ Jan	51¾ Jan
Apollo Industries Inc	5	8	7⅜	8	1,801	5⅝ Jan	8¼ Jan
Armstrong Cork Co	1	—	37¼	37½	115	36⅞ Jan	38⅜ Jan
Blaw-Knox Co	10	40	38⅛	40	157	37 Jan	40 Feb
Columbia Gas System	1	22¾	22¾	23¼	155	22⅜ Jan	24¼ Jan
Duquesne Brewing Co of Pgh	5	8½	8½	8¾	1,137	7⅞ Jan	8¾ Jan
Duquesne Light Co new	5	25½	25⅛	26	1,259	25⅛ Feb	26⅞ Jan
Equitable Gas Co	8.50	37⅜	37⅜	38½	138	35½ Jan	38½ Feb
Harbison Walker Refractories	7½	—	45¾	46	130	44⅝ Jan	46⅞ Jan
Horne (Joseph) Co	*	—	34¼	35	60	34 Jan	35 Feb
McKinney Mfg	1	—	1	1½	600	1⅛ Jan	1⅛ Jan
Natco Corp	5	16	15¾	16	141	14⅞ Jan	17¾ Jan
Penn Federal Corp	*	—	1½	1½	70	1½ Feb	1½ Feb
Pittsburgh Brewing Co common	2.50	3⅝	3⅝	3¾	2,725	3½ Jan	3⅞ Jan
Pittsburgh Plate Glass	10	77¾	76½	78¼	291	74½ Jan	84¼ Jan
Pittsburgh Screw & Bolt Corp	1	—	8	8⅛	60	7 Jan	8¼ Jan
Plymouth Oil Corp	5	—	28¼	28¼	20	27⅝ Jan	30 Jan
Reymer & Bros	6	—	3⅞	4	30	3⅞ Feb	4 Jan
Rockwell-Standard Corp	5	—	32¾	33½	364	29⅛ Jan	33½ Feb
Ruud Manufacturing	5	—	5⅜	5⅜	37	5 Jan	6½ Jan
United Engineering & Fdry Co	5	19¾	19¾	20¼	375	16 Jan	20¼ Feb
U S Glass & Chemical	1	5⅝	5¼	6	1,600	5¼ Feb	6½ Jan
Westinghouse Air Brake	10	32½	32½	32¾	469	32⅛ Jan	35⅛ Jan
Westinghouse Electric Corp	12.50	72⅛	72⅛	75¾	462	71 Jan	76 Jan

CANADIAN MARKETS

RANGE FOR WEEK ENDED FEBRUARY 6

Montreal Stock Exchange

Prices Shown Are Expressed in Canadian Dollars

STOCKS	Par	Friday Last Sale Price	Week's Range of Prices Low	Week's Range of Prices High	Sales for Week Shares	Range Since Jan. 1 Low	Range Since Jan. 1 High
Abitibi Power & Paper common	*	38¾	38¾	40	7,160	36¾ Jan	40 Feb
4½% preferred	25	—	23¼	23¼	366	23¼ Jan	23½ Jan
Acadia-Atlantic Sugar common	*	—	11	11	110	11 Jan	11¼ Jan
Class A	*	—	a21	a21	40	20½ Jan	21¾ Jan
Agnew-Surpass Shoe	*	14⅛	14⅛	14½	200	12¾ Jan	14¾ Jan
Algoma Steel	*	38	37½	38½	5,595	35¾ Jan	39 Jan
Aluminium Ltd	*	29½	29⅛	30⅝	27,988	29⅛ Feb	32⅛ Jan
Aluminum Co of Can 4% pfd	25	—	a21¾	a21¾	45	20¾ Jan	21⅝ Jan
4½% preferred	50	43¾	43¾	44	3,885	42½ Jan	44 Jan
Anglo Canadian Pulp pfd	50	—	52½	53	150	50¾ Jan	53 Feb
Anglo Can Tel Co 4½% pfd	50	—	43	43	125	41¼ Jan	43 Jan
Argus Corp Ltd common		37¾	35¼	38	4,740	32¼ Jan	38 Feb
$2.40 preferred	50	82½	79	84	165	71 Jan	84 Feb
$2.50 preferred	50	—	47⅜	47⅜	40	46 Jan	48 Jan
Asbestos Corp	*	35⅛	34¾	35¼	2,305	32⅝ Jan	35¾ Jan
Atlas Steels Ltd	*	28½	28⅛	29¼	1,250	25⅞ Jan	29¼ Feb

For footnotes see page 42.

CANADIAN MARKETS

RANGE FOR WEEK ENDED FEBRUARY 6

	Par		Low	High		Low		High	
Bailey Selburn 5¾% pfd	25	--	a23	a23½	100	a--	---	a--	---
Banque Canadian National	10	59¼	57	59¼	1,831	57	Jan	61½	Jan
Bank of Montreal	10	55¼	53	55¼	5,319	53	Feb	56	Jan
Bank of Nova Scotia	10	67¼	66	67¼	1,376	65¾	Jan	67¼	Feb
Rights		5.40	5.25	5.40	4,650	5.15	Jan	5.50	Jan
Banque Provinciale (Canada)	10	36	35¼	36	3,171	34½	Jan	37	Jan
Rights		4.75	4.40	4.75	4,885	4.15	Jan	5.15	Jan
Bathurst Power & Paper class A	•	--	51	51	120	47½	Jan	51	Jan
Class B	•	--	33	33½	105	26½	Jan	33½	Jan
Bell Telephone	25	42½	41⅞	42¾	12,622	41	Jan	42¾	Feb
Bowater 5% preferred	50	45	45	45	620	43½	Jan	45	Jan
5½% preferred	50	--	49½	49½	250	49½	Jan	50¼	Jan
Bowater Paper	£1	6⅝	6⅛	6¾	13,651	6	Jan	6¾	Feb
Brazilian Traction Light & Power	•	6¼	6	6¼	7,382	6	Jan	6⅜	Jan
British American Bank Note Co	•	--	47	47	100	45	Jan	47	Feb
British American Oil common	•	44	43⅝	44¼	7,843	39⅞	Jan	44¼	Jan
British Col Elec 4¾% cum red pfd	100	a87½	a87½	a87½	120	86½	Jan	88	Jan
4½% preferred	50	--	41¼	41¾	75	40	Jan	41¾	Feb
5% preferred	50	--	46¾	47	330	46	Jan	47	Feb
5½% preferred	50	--	49½	50	890	49½	Jan	50	Jan
British Columbia Forest Products	•	14¾	13⅞	14⅞	4,660	12⅜	Jan	14⅞	Feb
British Columbia Power	•	38⅜	38⅛	39	5,771	35½	Jan	40	Jan
British Columbia Telephone	25	40¾	40½	42	5,823	40½	Jan	45	Jan
Rights		1.65	1.55	1.90	11,162	1.50	Jan	1.90	Feb
Brown Company	•	13¾	13¾	14⅛	1,640	13¾	Jan	14⅞	Jan
Bruck Mills Ltd class A	•	a9.50	a9.00	a9.50	175	9	Jan	9	Jan
Building Products		38	37½	38½	1,207	37½	Jan	39	Jan
Bulolo Gold Dredging	5	--	4.25	4.25	200	4.00	Jan	4.25	Feb
Calgary Power common	•	87	85⅞	89	1,565	79	Jan	89	Feb
Preferred	100	--	101	101	25	99½	Jan	101	Feb
Canada Cement common	•	34¾	34¾	35	2,861	32¼	Jan	35	Jan
$1.30 preferred	20	28	28	28½	521	26½	Jan	28½	Jan
Canada Iron Foundries common	10	37	37	37	630	35¼	Jan	37½	Jan
4¼% preferred	100	100	100	100	75	98	Jan	100	Jan
Canada Malting common	•	--	72	72	81	70⅛	Jan	72	Feb
4½% preferred	26	--	25	25	280	25	Jan	25¼	Jan
Canada Steamship common	•	--	41	42	120	41	Jan	43	Jan
5% preferred	12.50	--	12	12	1,225	11	Jan	12¼	Jan
Canadian Bank of Commerce	10	56¼	55¾	56¼	7,861	54	Jan	56¼	Feb
Rights		4.85	4.70	4.85	13,670	4.40	Jan	4.85	Feb
Canadian Breweries common	•	38¼	38	39¼	4,265	35½	Jan	39½	Jan
Preferred	25	--	38½	38½	610	35½	Jan	38½	Feb
Canadian British Aluminum	•	13¼	13	13¼	905	12½	Jan	15	Jan
Class A warrants		--	5.50	5.50	100	5.30	Jan	5.50	Jan
Class B warrants	•	--	a4.25	a4.25	20	4.50	Jan	4.50	Jan
Canadian Bronze common	•	--	24¾	25	696	24¾	Feb	25	Jan
Canadian Canner class A	•	--	a14¼	a14¼	50	14¼	Jan	14¼	Jan
Canadian Celanese common	•	19	18¾	19	1,950	18¼	Jan	20	Jan
$1.75 series	25	32⅛	32	32½	180	29½	Jan	32½	Jan
$1.00 series	25	--	18	18	100	18	Jan	18	Jan
Canadian Chem & Cellulose	•	9⅛	8⅞	9⅛	950	8⅝	Jan	9¾	Jan
Canadian Converters class A pfd	20	--	a3.00	a3.00	1	a--	---	a--	---
Canadian Fairbanks Morse	•	27½	25⅛	28	425	25	Jan	28	Feb
Canadian Husky	1	--	13¼	13½	5,200	13¼	Feb	14¼	Jan
Canadian Hydrocarbons	•	7¾	7¾	8½	205	7¾	Jan	8¾	Jan
Canadian Industries common	•	18	16	20	18,816	15½	Jan	20	Feb
Preferred		--	a77½	a77½	1	78½	Jan	80	Jan
Canadian International Power	•	22	22	23	2,266	20⅞	Jan	24	Jan
Preferred	•	46¼	46¼	47	786	46	Jan	47¼	Jan
Canadian Locomotive	•	14	14	14	25	13¾	Jan	14	Feb
Canadian Oil Companies common	•	29½	29	29½	5,228	27½	Jan	29½	Feb
5% preferred	100	--	101	101	55	100	Jan	101	Feb
1953 warrants		11¼	11¼	11¼	480	11¼	Feb	11¼	Feb
Canadian Pacific Railway	25	29½	29½	29⅞	4,820	28¼	Jan	30¼	Jan
Canadian Petrofina Ltd preferred	10	13¼	12¾	13⅜	610	12¾	Feb	14½	Jan
Canadian Vickers	•	23½	23½	23½	500	22¾	Jan	23⅞	Jan
Chrysler Corp	25	--	49⅞	49⅞	200	49½	Jan	49⅞	Feb
Cockshutt Farm Equipment	•	12¾	12¾	13¼	732	12⅛	Jan	14⅛	Jan
Coghlin (B J)	•	10¼	9⅞	10¼	3,785	9⅞	Feb	15¼	Jan
Combined Enterprises	•	11½	11½	11¾	145	11	Jan	12	Jan
Consolidated Mining & Smelting	•	22⅛	21¾	22⅝	5,790	20⅜	Jan	22⅝	Feb
Consolidated Textile	•	4.10	3.00	4.10	14,120	2.25	Jan	4.10	Feb
Consumers Glass	•	33¼	33¼	33½	435	33	Jan	34	Jan
Corbys class A	•	--	19¼	19½	600	19	Jan	19½	Jan
Class B	•	a19	a19	a19	100	18¼	Jan	18½	Jan
Crown Cork & Seal Co	•	--	56½	56½	40	56½	Feb	60	Jan
Crown Zellerbach class A	•	22	21¾	22	1,305	21	Jan	22	Jan
Davis Leather Co Ltd	•	--	a4.25	a4.25	25	4.00	Jan	4.25	Jan
Distillers Seagrams	2	34¼	34	34½	4,300	32¾	Jan	34¾	Jan
Dome Petroleum	2.50	--	11¾	11¾	200	11¾	Feb	13¼	Jan
Dominion Bridge	•	23	22⅞	23⅜	6,490	21¾	Jan	24	Jan
Dominion Coal 6% preferred	25	--	7½	7½	235	7½	Feb	8⅜	Jan
Dominion Corsets	•	22	21¼	22	625	19¼	Jan	22	Feb
Dominion Dairies common	•	a6¾	a6½	a6¾	281	6½	Jan	7	Jan
Rights		50c	45c	50c	2,327	25c	Jan	85c	Jan
Dominion Foundries & Steel com	•	44	43½	44½	1,663	41¾	Jan	44½	Feb
Preferred	100	--	101⅛	101⅛	195	101	Jan	101⅛	Jan
Dominion Glass common	•	90	90	92	525	88	Jan	92	Feb
7% preferred	10	--	14	14	115	14	Jan	14½	Jan
Dominion Steel & Coal	•	21¾	21¼	21¾	1,967	20	Jan	22⅞	Jan
Dominion Stores Ltd	•	88⅛	88⅛	90½	1,105	84¼	Jan	90½	Feb
Dominion Tar & Chemical common	•	15½	14¾	15¾	30,443	14⅛	Jan	16⅛	Jan
Redeemable preferred	23½	--	20⅛	20⅛	100	20	Jan	20⅛	Jan
Dominion Textile common	•	11¼	11¼	11½	8,390	9¾	Jan	11½	Jan
Donohue Bros Ltd	3½	18½	17⅜	18⅝	1,615	15¼	Jan	18⅝	Feb
Dow Brewery	•	a40	a40	a40	58	40	Jan	40	Jan
Du Pont (1956) common	•	21½	20⅞	21½	2,166	19½	Jan	21½	Feb
7½% preferred (1956)	50	--	a75	a75	1	79	Jan	80	Jan
Dupuis Freres class A	•	--	7½	7½	125	7½	Jan	7⅞	Jan
Eddy Match	•	--	27¾	27¾	110	27	Jan	28	Jan
Eddy Paper Co class A pfd	20	--	54½	54½	50	54	Jan	54½	Jan
Electrolux Corp	1	--	17⅞	18	875	14	Jan	18	Feb
Enamel & Heating Prod class A	•	5¼	5¼	5¼	25	5	Jan	5½	Jan
Class B	•	--	1.75	1.75	200	1.30	Jan	1.75	Feb
Estabrooks (T H) 4.16% pfd	25	19	19	19	56	19	Jan	19	Jan
Famous Players Canadian Corp	•	23	23	23¼	485	22½	Jan	24	Jan
Ford Motor Co	5	a50¼	a50¼	a53	150	51⅝	Jan	53½	Jan
Foundation Co of Canada	•	15⅛	15⅛	15½	6,282	14½	Jan	15⅝	Jan
Fraser Cos Ltd common	•	34½	33	34⅝	3,525	32	Jan	34⅝	Feb
French Petroleum pfd	10	8.55	8.55	8.55	1,300	8.55	Jan	8.95	Jan
Gatineau Power common	•	39	38¼	39	2,005	37¾	Jan	40	Jan
5% preferred	100	--	101	101	70	100	Jan	103	Jan
5½% preferred	100	--	107	107	25	104	Jan	107	Feb
General Dynamics	1	58	58	59¾	1,686	58	Feb	63	Jan
General Motors	1⅔	--	a47½	a47½	50	47½	Jan	48¼	Jan
General Steel Wares common	•	13¼	12⅝	13¼	1,794	11	Jan	13¼	Feb
5% preferred	100	85	85	85	1	85	Feb	90	Jan
Greater Winnipeg Gas Co voting trust	•	--	9½	9½	330	9½	Feb	9½	Feb
Great Lakes Paper Co Ltd	•	39	38½	39¾	1,203	36	Jan	40	Jan
Gypsum Lime & Alabastine	•	43¼	42	43⅜	21,893	37½	Jan	45	Jan
Home Oil class A	•	19¾	19½	20	1,955	19½	Jan	21	Jan
Class B	•	18¾	18¾	19⅜	576	18¾	Feb	20¾	Jan
Howard Smith Paper common	•	43¾	43½	45	763	40	Jan	45	Feb
$2.00 preferred	50	--	41	41	245	40	Jan	41	Jan
Hudson Bay Mining	•	62	61¼	62⅜	1,856	57¾	Jan	62⅜	Feb
Imperial Investment class A	•	11½	11	11¾	4,265	11	Feb	12¾	Jan
$1.40 preferred	25	--	22½	22½	150	21¾	Jan	22½	Jan
Imperial Oil Ltd	•	44¾	44¼	44⅞	7,156	44¼	Jan	46⅝	Jan
Imperial Tobacco of Canada com	5	14⅛	14⅛	14¼	3,507	13¼	Jan	14¾	Jan
6% preferred	4.68⅔	--	5⅞	5⅞	300	5½	Jan	5⅞	Feb
Indus Acceptance Corp common	•	39	36½	39	4,750	36½	Jan	39⅞	Jan
Warrants		13½	13	13½	235	13	Feb	15	Jan
$4.50 preferred	100	--	90½	90½	125	90	Jan	91	Jan
Inland Cement Preferred	10	--	18½	18¾	965	17¾	Jan	20½	Jan
International Bronze Powders— 6% preferred	25	--	a23	a23	25	a--	---	a--	---
International Nickel of Canada com	•	89	89	90	3,558	83½	Jan	90	Feb
International Paper common	7.50	--	114	117	598	113	Jan	117	Jan
International Utilities Corp	5	29½	29½	30⅜	2,425	29	Jan	30⅞	Jan
Interprovincial Pipe Lines	5	54½	54½	55	2,900	49	Jan	55	Jan
Iroquois Glass preferred	10	--	13	13¼	1,375	12	Jan	13¼	Jan
Jamaica Public Service Ltd com	•	23	22¾	24	3,825	20	Jan	24	Jan
Labatt Limited (John)	•	29¼	28⅝	29½	440	28	Jan	29½	Feb
Laurentide Acceptance class A	•	--	12¼	12¼	400	12¼	Feb	12¼	Feb
Lewis Bros Ltd	•	--	10½	10½	200	10½	Jan	11	Jan
Lower St Lawrence Power		30½	30	30½	525	29½	Jan	30½	Feb
MacMillan & Bloedel class B	•	42	41¼	43	2,633	36½	Jan	43	Feb
Massey-Ferguson common	•	12⅞	12½	13⅛	51,980	10⅝	Jan	13⅜	Jan
Preferred	100	129	124½	130	2,895	107	Jan	133	Jan
Mersey Paper 5½% pfd	50	48	48	48½	200	47½	Jan	49¼	Jan
Mitchell (Robt) class A	•	--	11	11½	550	11	Feb	12	Jan
Class B	•	2.75	2.75	3.00	1,500	2.75	Feb	3.30	Jan
Molson Breweries Ltd class A	•	25¼	25¼	26½	1,075	22⅞	Jan	27	Jan
Class B	•	26⅛	25¾	26¼	1,438	22⅞	Jan	26¾	Jan
Preferred	40	40½	40½	40¾	855	40¼	Jan	40¾	Feb
Montreal Locomotive	•	18¼	18	18¼	750	17¾	Jan	19⅛	Jan
Montreal Trust	5	47	46	47	275	46	Jan	50	Jan
Morgan & Co common	•	--	28¾	28¾	130	27	Jan	28¾	Jan
4¾% preferred	100	--	94½	95	150	94	Jan	95	Jan
National Steel Car Corp common	•	18¼	18¼	19	1,440	16	Jan	19	Feb
Niagara Wire Weaving	•	14½	14½	14½	45	14	Jan	14½	Feb
Class B	•	14⅝	14⅝	14⅝	135	13	Jan	14⅝	Feb
Noranda Mines Ltd	•	56½	56½	57½	4,611	52¼	Jan	57½	Feb
Ogilvie Flour Mills common	•	--	42¼	43	195	42	Jan	44⅜	Jan
7% preferred	100	--	144½	144½	33	132	Jan	144½	Feb
Ontario Steel Products common	•	--	26½	26½	1,000	25¼	Jan	26¾	Jan
Pacific Petroleums	1	16¾	16¾	17⅜	3,501	16¾	Feb	18⅜	Jan
Page-Hersey Tubes	•	34	33¾	34½	2,845	31⅜	Jan	34½	Feb
Penmans common	•	31½	30¾	31½	575	30¾	Jan	33	Jan
6% preferred	100	--	a106½	a106½	5	a--	---	a--	---
Placer Development	1	--	10⅝	10¾	200	10½	Jan	10¾	Jan
Powell River Company	•	39¼	37½	39¼	1,365	36½	Jan	39½	Jan
Power Corp of Canada	•	66½	65	66½	1,405	61½	Jan	66½	Feb
Premium Iron Ores	20c	--	5¼	5⅝	1,700	4¾	Jan	6¼	Jan
Price Bros & Co Ltd common	•	--	48	49¾	2,584	45¼	Jan	50¼	Jan
4% preferred	100	--	a89	a89	25	88	Jan	88	Jan
Provincial Transport common	•	--	13¼	13½	270	13¼	Jan	13½	Feb
Quebec Natural Gas	1	20	20	21	2,094	20	Feb	22⅞	Jan
Quebec Power	•	39¼	38½	39¼	790	38	Jan	39¼	Jan
Roe (A V) (Canada) common	•	12½	12⅛	13	13,763	12	Jan	13⅝	Jan
5¾% preferred	100	100	100	100½	465	99½	Jan	100½	Feb
Rolland Paper class A	•	27½	27	27½	150	21	Jan	27½	Feb
4¼% preferred	100	--	80	80	50	80	Feb	80	Feb
Royal Bank of Canada	10	78	76¾	78¾	5,317	75¼	Jan	78¾	Feb
Royalite Oil Co Ltd common	•	10⅞	10⅜	11	1,275	10⅜	Feb	11¾	Jan
Preferred	25	--	a22	a22	25	a--	---	a--	---
St Lawrence Cement class A	•	17	16½	17¼	1,540	16½	Feb	17½	Jan
St Lawrence Corp common	•	18¼	17⅞	18⅝	8,790	16½	Jan	18⅝	Feb
5% preferred	100	--	98	99	250	98	Jan	99	Feb
Salada-Shirriff-Horsey common	•	38	35½	38½	1,885	30½	Jan	38½	Feb
Warrants		24	24	24½	210	17¼	Jan	24½	Feb
Shawinigan Water & Power common	•	31¾	31½	33¼	6,222	31¼	Jan	35	Jan
Series A 4% preferred	50	41	41	41½	175	40	Jan	43	Jan
Sherwin Williams of Canada com	•	--	51¼	52⅞	326	46¾	Jan	52⅞	Feb
7% preferred	100	--	136½	136½	10	132	Jan	136½	Feb
Sicks' Breweries common	•	--	36	36	28	32½	Jan	36	Jan
Voting trust certificates	•	35⅛	35	35⅛	200	30¼	Jan	35⅛	Jan
6% preferred	5	4.95	4.95	5.00	500	4.90	Jan	5.00	Jan
Simpsons	•	34¼	34	34⅜	1,505	32¼	Jan	34½	Jan
Standard Structural Steel	•	11	11	12	2,245	11	Feb	12	Feb
Steel Co of Canada	•	74	72½	74	5,595	68½	Jan	76	Jan
Steinbergs class A	1	25¼	23⅜	25¼	12,680	23¼	Jan	25¼	Feb
5¼% preferred	100	--	101¼	101¼	15	101¼	Jan	101¼	Jan
Texaco Canada Ltd	•	68¾	68	69	655	68	Feb	69	Feb
Toronto-Dominion Bank	10	53¼	52	53½	690	51	Jan	53½	Feb
Trans Canada Pipeline	•	27¾	27¾	29⅞	3,794	27¾	Feb	31	Jan
Triad Oils	•	5.60	5.60	5.85	2,165	4.70	Jan	5.85	Feb
United Steel Corp	•	a12⅛	a12	a12¼	295	10¾	Jan	12½	Jan
Walker Gooderham & Worts	•	36½	35	36½	2,975	34	Jan	36½	Feb
Webb & Knapp (Canada) Ltd	1	--	3.55	3.95	4,325	3.55	Feb	3.90	Jan
Weston (Geo) class A	•	39	38	40¼	850	34½	Jan	40¼	Feb
Warrants		--	18	18⅞	200	18	Jan	18⅞	Feb
4½% preferred	100	39	38½	39¾	600	34½	Jan	39¾	Feb
Zellers Limited common	•	--	36	36½	130	36	Jan	39½	Jan
4½% preferred	50	--	45½	45½	25	45	Jan	48	Jan

For footnotes see page 42.

Canadian Stock Exchange

The transactions for Friday, February 6, on this Exchange were not received in time for publication. However, prices for the more active securities are included

Prices Shown Are Expressed in Canadian Dollars

STOCKS	Par	Friday Last Sale Price	Week's Range of Prices Low	High	Sales for Week Shares	Range Since Jan. 1 Low		High	
Abitca Lumber & Timber	•	52c	50c	52c	36,700	40c	Jan	60c	Jan
Anglo-Can Pulp & Paper Mills Ltd	•	--	39	41	620	37½	Jan	41	Feb
Anglo-Nfld Development Co Ltd	5	7½	7¼	7¾	3,925	6¼	Jan	8⅛	Jan
Arcan Corp Ltd	•	--	1.95	1.95	200	1.60	Jan	1.95	Feb
Belding-Corticelli 7% pfd	100	--	a11	a11	30	a--	---	a--	---
Butterfly Hosiery Co Ltd	1	--	a1.75	a1.75	50	2.00	Jan	2.00	Jan
Canada & Dominion Sugar Co Ltd	•	--	26	26½	1,300	25½	Jan	27	Jan
Canada Flooring Co Ltd class B	1	--	a15½	a15½	20	14½	Jan	14½	Jan
Canadian Dredge & Dock Co Ltd	•	--	27⅜	30	1,690	25½	Jan	30	Feb
Canadian General Investment Ltd	•	--	a33½	a33½	5	33½	Jan	33½	Jan
Canadian Ingersol Rand Co Ltd	•	--	45	46	36	44	Jan	48¼	Jan
Canadian Marconi Co	1	6	6	6¼	2,760	5	Jan	6¾	Jan
Canadian Power & Paper Inv Ltd	•	--	7	7	1,160	6⅞	Jan	7	Jan
Canadian Silk Products Corp class A	•	--	2.00	2.00	25	1.00	Jan	2.00	Jan
Canadian Westinghouse Co Ltd	•	--	50½	51	125	50½	Feb	52½	Jan
Catelli Food Products Ltd class A	•	--	a44	a44	38	41	Jan	44	Jan
Class B	•	--	54	54	38	54	Feb	56	Jan
Consolidated Div Standard Sec pfd	•	--	a30	a30	3	a--	---	a--	---
Consolidated Paper Corp Ltd	•	44	43¾	45	5,637	41¾	Jan	45	Feb
Consumers Gas	10	--	34½	36½	13,500	34½	Jan	37	Jan
Crain Ltd (R L) new	•	--	13¾	14½	4,933	13½	Jan	14½	Feb
David & Frere Limitee class A	50	--	46	46	50	44¾	Jan	43	Jan
Dominion Engineering Works Ltd	•	--	20	20	250	19	Jan	20	Jan
Dominion Oilcloth & Linoleum Co Ltd	•	--	45½	46	2,000	44	Jan	47	Jan
East Kootenay Power 7% pfd	100	--	110½	112	20	110½	Jan	112	Feb
Fleet Mfg Ltd	•	--	70c	74c	600	65c	Jan	75c	Jan
Ford Motor Co of Can class A	•	--	113½	124	1,545	108	Jan	124	Feb
Hubbard Felt Co Ltd class A pfd	•	--	20	20	125	20	Feb	20	Feb
Investment Foundation 6% conv pfd	50	--	56	56	35	55½	Jan	56	Feb
Lambert (Alfred) Inc class A	1	--	12	12	1,270	10½	Jan	12	Feb
Lowney Co Ltd (Walter M)	•	--	29½	31½	150	29½	Feb	33	Jan
MacLaren Power & Paper Co	•	--	82	83	400	82	Feb	83	Jan
McColl Frontenac Oil Name changed to Texaco Canada Ltd									
Melchers Distilleries Ltd 6% pfd	10	--	a14⅞	a14⅞	146	14¾	Jan	15⅞	Jan
Mexican Light & Pow Co Ltd com	13.50	--	14¼	14¼	100	14¼	Feb	14¼	Feb
Minnesota & Ontario Paper Co	5	35	34¾	35¼	1,711	33¼	Jan	35¼	Feb
Moore Corp Ltd common	•	--	92½	95½	460	89½	Jan	95½	Feb
Mount Royal Dairies Ltd	•	--	7½	7½	250	7½	Jan	7½	Jan
Mount Royal Rice Mills Ltd	•	--	25	25	75	24	Jan	25	Feb
Newfoundland Light & Power Co Ltd	10	--	47	49	755	46⅝	Jan	49	Feb
Pac Atlantic Canadian Investm't Co	1	--	a6¼	a6¼	117	a--	---	a--	---
Power Corp of Canada 4½% 1st pfd	50	--	41	41½	435	40½	Jan	43	Jan
6% non cum part 2nd pfd	50	--	a72½	a74	26	72	Jan	75	Jan
Premier Steel Mills Ltd	•	--	4.75	4.90	1,100	4.50	Jan	4.90	Jan
Quebec Telephone Corp common	5	29¼	28	29½	1,075	27¼	Jan	29½	Feb
Warrants		--	11⅜	11⅜	200	11⅜	Feb	12	Jan
5½% preferred	20	--	a20½	a20½	50	20¼	Jan	20½	Jan
Reitmans (Canada) Ltd	•	--	23	24	890	22	Jan	24	Jan
St Maurice Gas Inc	1	--	1.10	1.20	3,600	90c	Jan	1.20	Jan
Shop & Save (1957) Ltd	•	--	18¾	19½	9,105	18	Jan	20	Jan
Southern Canada Power 6% pfd	100	--	128	129	40	127	Jan	131	Jan
Standard Paving & Materials Ltd	•	--	51	52	250	48⅜	Jan	52	Feb
Rights		--	2.05	2.10	650	1.35	Jan	2.10	Feb
Supertest Petroleum Ltd	•	--	16	16¼	1,000	15¾	Jan	16¼	Feb

CANADIAN MARKETS

RANGE FOR WEEK ENDED FEBRUARY 6

	Par		Low	High		Low	High
Texaco Canada Ltd	*	--	90½	90½	78	90½ Feb	90½ Feb
Traders Finance Corp class A	*	--	39¼	40¼	1,960	39¼ Feb	44 Jan
5% cum red pfd	40	--	38½	38¾	200	38½ Feb	42 Jan
Trans-Canada Corp Fund	10	--	25	25	350	20 Jan	25 Feb
Trans Mountain Oil Pipe Line Co	*	--	12⅝	13⅛	4,865	12¼ Jan	13⅞ Jan
Union Gas of Canada Ltd	*	--	16½	17⅜	2,600	15¾ Jan	17⅜ Feb
Waterman Peh Co Ltd (L E)	*	6.00	6.00	6.00	317	5¾ Jan	7 Jan
Westeel Products Ltd	*	--	14¾	14¾	100	14½ Jan	15½ Jan
Woods Mfg Co Ltd	*	--	39	39	100	39 Feb	39 Feb
Mining and Oil Stocks—							
Advocate Mines Ltd	1	--	3.50	3.60	500	3.30 Jan	3.60 Feb
Algom Uranium Mines Ltd	1	--	15	15	150	15 Feb	16¾ Jan
Alscope Exploration Ltd	*	--	25c	27½c	16,402	19c Jan	27½c Feb
Alta Mines Ltd	1	--	15c	16½c	16,500	10½c Jan	18c Jan
Ameranium Mines Ltd	1	--	5c	5c	9,600	4c Jan	5c Jan
Anacon Lead Mines Ltd	20c	--	1.02	1.14	24,700	72c Jan	1.15 Jan
Anthonian Mining Corp Ltd	1	--	10c	10c	11,000	8½c Jan	12c Jan
Arno Mines Ltd	*	--	a2c	a2c	180	a__ __	a__ __
Atlas Sulphur & Iron Co Ltd	1	--	6c	6c	1,500	5c Jan	6c Feb
Augustus Exploration Ltd	1	72c	67c	80c	115,776	56c Jan	80c Feb
Aull Metal Mines Ltd	*	--	10c	10½c	32,000	10c Jan	13c Jan
Bailey Selburn Oil & Gas Ltd cl A	1	--	10	10⅛	550	9.90 Jan	10⅝ Jan
Baker Talc Ltd	1	25c	25c	29c	25,200	25c Feb	33c Jan
Bateman Bay Mining Co	1	71c	67c	73c	415,250	46c Jan	73c Jan
Beatrice Red Lake Gold Mines Ltd	1	--	4½c	9c	10,500	4½c Feb	9c Feb
Bellechasse Mining Corp Ltd	1	--	60c	83c	444,000	42c Jan	83c Feb
Belle-Chibougamau Mines Ltd	1	--	7½c	11c	15,000	6c Jan	11c Feb
Bluewater Oil & Gas Ltd	*	--	64c	64c	600	64c Feb	70c Jan
Bonnyville Oil & Refining Corp	1	49c	44c	49c	78,284	33c Jan	60c Jan
Bornite Copper Corp	1	--	12c	13c	3,500	7½c Jan	15c Jan
Bouzan Mines Ltd	1	--	63c	65c	1,500	63c Jan	65c Jan
Burnt Hill Tungsten Mines Ltd	1	--	14c	18c	11,000	10½c Jan	18c Feb
Calalta Petroleum Ltd	25c	--	1.10	1.10	2,000	1.07 Jan	1.15 Jan
Calgary & Edmonton Corp Ltd	*	--	32¾	33¼	2,125	28⅞ Jan	34 Jan
Calumet Uranium Mines Ltd	1	--	a5c	a5c	100	5½c Jan	6c Jan
Campbell Chibougamau Mines Ltd	1	--	8.90	8.90	1,750	7.35 Jan	8.90 Jan
Canadn Collieries Resources Ltd com	3	--	a5½c	a5½c	200	5¼c Jan	5½c Jan
Canadian Devonian Petroleums Ltd	*	--	5.65	5.80	300	5.65 Feb	5.80 Jan
Canadian Homestead Oils Ltd	10c	--	1.65	1.65	100	1.65 Feb	1.86 Jan
Canalask Nickel Mines Ltd	1	--	9c	9c	17,500	6c Jan	9c Jan
Canorama Explorations Ltd	1	15c	15c	16c	10,766	15c Feb	23c Jan
Canuba Mines Ltd	1	10c	9½c	10c	10,400	8c Jan	11c Jan
Capital Lithium Mines Ltd	1	11c	10c	13c	26,100	8c Jan	13c Feb
Cartier Quebec Explorations Limited	1	--	25c	28c	21,570	21c Jan	28c Feb
Cassiar Asbestos Corp Ltd	*	--	11	11	1,650	9.75 Jan	11¼ Jan
Central-Del Rio Oils Ltd	*	--	8.35	8.65	800	8.30 Jan	9.15 Jan
Central Manitoba Mines Ltd	1	--	7c	7c	675	7c Feb	9½c Jan
Chibougamau Jaculet Ltd	75c	--	72c	74c	5,200	65c Jan	74c Jan
Chipman Lake Mines Ltd	1	--	9½c	11½c	10,500	7c Jan	11½c Feb
Cleveland Copper Corp	1	--	13c	17c	169,500	12c Jan	17c Feb
Compagnie Miniere L'Ungava	1.50	--	12c	14c	6,500	12c Feb	16c Jan
Consol Bi-Ore Mines Ltd	1	--	10c	10c	6,000	6c Jan	10c Jan
Consol Central Cadillac Mines Ltd	1	--	7½c	7½c	2,000	6c Jan	7½c Feb
Consolidated Denison Mines Ltd	1	--	12¾	13	1,543	12⅝ Jan	14⅛ Jan
Class B warrants		--	3.15	3.15	200	3.15 Feb	3.15 Feb
Consolidated Halliwell Ltd	1	--	90c	95c	7,000	62c Jan	95c Feb
Consolidated Quebec Yellowknife Mines Ltd	1	--	7c	7½c	4,550	6c Jan	7½c Feb
Copper Rand Chib Mines Ltd	1	--	2.23	2.27	400	2.25 Jan	2.27 Feb
Cournor Mining Co Ltd	1	--	10c	10c	2,000	8½c Jan	10c Jan
Dolsan Mines Ltd	1	--	8½c	9c	3,000	6c Jan	9½c Jan
Dome Mines Ltd	*	--	18¼	18½	625	17¾ Jan	19 Jan
Duvan Copper Co Ltd	1	--	23c	24c	1,200	21c Jan	25c Jan
East Sullivan Mines Ltd	1	--	2.30	2.40	1,600	2.05 Jan	2.40 Feb
Elder Mines Ltd	1	--	1.14	1.14	2,000	1.07 Jan	1.20 Jan
El Sol Gold Mines Ltd	1	--	a11½c	a11½c	300	11½c Jan	12c Jan
Empire Oil & Minerals Inc	1	--	8½c	10c	5,500	8½c Feb	10½c Jan
Fab Metal Mines Ltd	1	--	14c	15c	7,000	13c Jan	15c Jan
Falconbridge Nickel Mines Ltd	*	--	28⅜	28½	370	28⅜ Feb	29 Jan
Fano Mining & Exploration Inc	1	--	8c	8½c	13,500	7c Jan	9½c Jan
Fatima Mining Co Ltd	1	--	90c	96c	1,000	90c Jan	1.10 Jan
Fontana Mines (1945) Ltd	1	--	5½c	5½c	2,250	4c Jan	6c Jan
Frobisher Ltd	*	--	1.95	1.95	700	1.95 Feb	1.95 Feb
Fundy Bay Copper Mines Ltd	1	--	7c	9c	31,000	5c Jan	9c Feb
Futurity Oils Ltd	*	--	75c	78c	2,000	70c Jan	93c Jan
Gateway Oils Ltd	*	--	4c	4½c	6,000	4½c Jan	4½c Jan
Geco Mines Ltd	1	--	20	20	200	19½ Jan	20 Feb
Glacier Mining Ltd	1	--	35c	37c	1,500	35c Feb	37c Feb
Golden Age Mines Ltd	*	68c	65c	69c	14,900	60c Jan	80c Jan
Gui-Por Uran Mines & Metals Ltd	1	--	8c	8c	1,000	5½c Jan	10c Jan
Gunnar Mines Ltd	1	--	18	18¼	965	17⅞ Jan	18⅞ Jan
Warrants	*	--	a6.35	a6.35	60	6.60 Jan	7.25 Jan
Haitian Copper Corp Ltd	1	--	6½c	7c	78,100	4c Jan	7½c Jan
Heva Gold Mines Ltd	1	--	8c	8c	2,000	7c Jan	8c Feb
Hillcrest Collieries Ltd	*	--	2.50	2.50	100	2.50 Feb	2.50 Feb
Hollinger Consol Gold Mines Ltd	5	--	31¼	32	2,850	30⅝ Jan	33⅜ Jan
International Ceramic Mining Ltd	1	--	19c	20c	16,000	15c Jan	25c Jan
Iso Uranium Mines	1	53c	51c	58c	99,700	42c Jan	58c Jan
Kerr-Addison Gold Mines Ltd	1	--	19⅞	20¼	800	19½ Jan	20½ Jan
Kirkland Minerals Corp Ltd	1	--	80c	84c	3,200	80c Jan	84c Feb
Kontiki Lead & Zinc Mines Ltd	1	--	8½c	10c	15,500	6½c Jan	10c Feb
Labrador Min & Explor Co Ltd	1	--	a29½	a29½	25	26 Jan	30 Jan
Lingside Copper Mining Co Ltd	1	--	5c	5½c	7,000	5c Jan	7c Jan
Long Island Petroleums Ltd	*	--	15c	17c	27,400	13c Jan	17½c Jan
Louvicourt Goldfield Corp	1	--	9½c	12c	12,500	9½c Feb	12c Feb
Marpic Exploration Ltd	1	--	16c	18c	49,500	15c Jan	18c Jan
McIntyre-Porcupine Mines Ltd	5	--	93½	93½	30	90½ Jan	94 Jan
McKenzie Red Lake Gold Mines Ltd	1	--	41c	41c	1,000	32c Jan	41c Feb
Merrill Island Mining Ltd	5	--	1.12	1.22	14,300	99c Jan	1.15 Jan
Mid-Chibougamau Mines Ltd	1	--	50c	55c	14,100	46c Jan	55c Jan
Mogador Mines Ltd	1	--	14c	14c	500	13c Jan	14c Jan
Molybdenite Corp of Canada Ltd	1	--	1.20	1.30	4,600	85c Jan	1.72 Jan
Monpre Mining Co Ltd	1	--	16c	17c	1,000	13c Jan	20c Jan
Montgary Explorations Ltd	1	70c	69c	73c	46,600	65c Jan	75c Jan
Nama Creek Mines Ltd	1	--	30c	31c	3,500	30c Jan	31c Feb
National Petroleum Corp Ltd	25c	--	3.95	3.95	200	3.95 Feb	3.95 Feb
New Formaque Mines Ltd	1	16c	16c	20c	337,700	7c Jan	20c Feb
New Goldvue Mines Ltd	1	--	9½c	10c	7,000	7½c Jan	10c Feb
New Hosco Mines Limited	1	--	1.35	1.42	400	1.05 Jan	1.49 Jan
New Jack Lake Uranium Mines Ltd	1	--	6c	6c	1,500	5c Jan	8c Jan
New Pacific Coal & Oils Ltd	20c	92c	86c	93c	6,800	86c Feb	1.02 Jan
New Santiago Mines Ltd	50c	--	7½c	8c	14,000	7½c Jan	9c Jan
New Spring Coulee Oil & Minerals Ltd	*	--	7c	8c	6,000	5c Jan	9c Jan
New Vinray Mines Ltd	1	--	5c	6c	10,000	5c Jan	6c Jan
New West Amulet Mines Ltd	1	--	60c	64c	28,900	46c Jan	65c Jan
Nocana Mines Ltd	1	--	9c	10½c	7,500	6c Jan	10½c Feb
Normetal Mining Corp Ltd	*	--	3.60	3.60	300	3.40 Jan	3.60 Feb
North American Asbestos Corp	1	--	15c	16c	5,150	11c Jan	16c Feb
North American Rare Metals Ltd	1	--	50c	50c	1,500	45c Jan	54c Jan
North Canadian Oils Ltd	25c	--	4.40	4.50	300	4.40 Feb	4.45 Feb
Northspan Uranium Mines Ltd	1	--	1.90	2.01	1,300	1.90 Feb	2.30 Jan
Obalski (1945) Ltd	1	--	14c	15½c	23,150	14c Jan	20c Jan
Okalta Oils Ltd	90c	--	1.23	1.23	900	1.23 Feb	1.32 Jan
Opemisca Explorers Ltd	1	19½c	19c	20c	3,500	17c Jan	22c Jan
Opemiska Copper Mines (Quebec) Ltd	1	--	10	10½	4,550	9.25 Jan	10½ Feb
Orchan Uranium Mines Ltd	1	1.29	1.22	1.39	119,100	1.01 Jan	1.41 Jan
Pamour Porcupine Mines Ltd	1	--	72c	72c	1,000	72c Feb	72c Feb
Partridge Canadian Exploration Ltd	1	--	21c	21c	1,000	21c Jan	23c Jan
Paudash Lake Uranium Mines Ltd	1	--	42c	45c	12,860	41c Jan	49c Jan
Pennbec Mining Corp	2	--	49c	58c	32,700	30c Jan	64c Jan
Pitt Gold Mining Co Ltd	1	--	6c	6c	500	5c Jan	6½c Jan
Porcupine Prime Mines Ltd	1	--	10c	12c	25,000	9c Jan	12c Feb
Portage Island (Chib) Mines Ltd	1	93c	86c	96c	121,650	87c Jan	1.24 Jan
Warrants		--	33c	44c	4,100	33c Feb	50c Jan
Provo Gas Producers Ltd	*	--	2.99	3.00	2,100	2.99 Jan	3.30 Jan
Quebec Chibougamau Goldfields Ltd	1	--	58c	59c	2,700	50c Jan	63c Jan
Quebec Cobalt & Exploration Ltd	1	2.00	1.90	2.00	3,000	1.84 Jan	2.30 Jan
Quebec Copper Corp Co Ltd	1	--	31c	34c	6,800	27c Jan	34c Feb
Quebec Labrador Development Co Ltd	1	--	6½c	6½c	2,000	6c Jan	7c Jan
Quebec Oil Development Ltd	1	--	4c	5c	21,200	4c Feb	5c Jan
Quebec Smelting Refining Ltd	1	--	25c	28c	23,200	22c Jan	30c Jan
Quemont Mining Corp Ltd	*	--	12⅝	13	2,300	12¼ Jan	13 Feb

For footnotes see page 42.

			Low	High	No.	Low	High
Radiore Uranium Mines Ltd	1	--	64c	69c	3,000	64c Feb	69c Feb
Red Crest Gold Mines	*	--	5½c	5½c	2,600	2c Jan	6c Jan
St Lawrence River Mines Ltd	1	3.35	3.30	3.50	7,000	3.30 Jan	3.55 Jan
Satellite Metal Mines Ltd	1	--	65c	77c	1,000	65c Feb	77c Feb
Sheep Creek Gold Mines Ltd	1	--	4.15	4.20	2,500	4.15 Feb	4.20 Feb
Sisco Gold Mines Ltd	1	--	70c	70c	2,500	70c Jan	70c Jan
South Dufault Mines Ltd	1	--	7c	8c	7,000	6c Jan	8½c Jan
Stadacona Mines (1944) Ltd	*	--	12c	12c	1,000	12c Jan	12c Jan
Standard Gold Mines Ltd	1	--	12½c	13½c	16,000	9c Jan	13½c Feb
Steep Rock Iron Mines Ltd	1	--	14⅝	15¼	6,275	13 Jan	15¼ Jan
Sullivan Cons Mines Ltd	1	--	2.20	2.25	3,700	2.05 Jan	2.25 Jan
Tache Lake Mines Ltd	1	--	21c	23c	98,800	18c Jan	25c Jan
Tazin Mines Ltd	*	20c	18½c	20c	30,500	18½c Jan	22c Jan
Tib Exploration Ltd	1	--	22c	25c	49,700	19½c Jan	27c Jan
Titan Petroleum Corp	1	--	82c	93c	239,200	74c Jan	93c Feb
Trebor Mines Ltd	1	--	8c	8½c	14,000	6c Jan	9c Jan
United Asbestos Corp Ltd	1	--	6.10	6.35	350	6.10 Feb	6.60 Jan
United Oils Ltd	*	--	2.40	2.48	1,800	2.42 Jan	2.59 Jan
Valor Lithium Mines Ltd	1	--	6½c	7c	3,100	6c Jan	8c Jan
Vanguard Explorations Ltd	1	--	17c	20c	7,000	16c Jan	20c Feb
Virginia Mining Corp	1	--	21c	25c	59,600	15c Jan	25c Feb
Weedon Pyrite & Copper Corp Ltd	1	--	21c	23c	7,800	21c Jan	25c Jan
Wendell Mineral Products Ltd	1	--	3½c	4c	23,300	3c Jan	4c Feb
Westville Mines Ltd	1	--	8c	8½c	16,000	7c Jan	8½c Feb

Toronto Stock Exchange

Prices Shown Are Expressed in Canadian Dollars

STOCKS	Par	Friday Last Sale Price	Week's Range of Prices Low	High	Sales for Week Shares	Range Since Jan. 1 Low	High
Abitibi Power & Paper common	*	38¾	38¼	40	8,389	36¾ Jan	40 Feb
Preferred	10	23⅜	23¼	23⅜	395	23¼ Jan	23¾ Jan
Acadia Atlantic Sugar common	*	11	10¾	11¾	935	10¾ Feb	11¾ Feb
Class A	*	21½	21	21⅞	540	20 Jan	21⅞ Feb
Preferred	100	--	95	95	65	95 Jan	96 Feb
Acadia Uranium Mines	1	7½c	7½c	8½c	12,588	7c Jan	8½c Feb
Acme Gas & Oil	*	21½c	21c	21½c	7,800	13c Jan	29c Jan
Advocate Mines Ltd	1	3.55	3.50	3.65	63,000	3.15 Jan	3.65 Feb
Agnew Surpass Shoe common	*	--	14½	15	225	12½ Jan	15 Jan
Agnico Mines	1	--	56c	58c	8,981	52c Jan	59c Jan
Ajax Petroleums	50c	88c	88c	94c	14,050	68c Jan	1.09 Jan
Akaitcho Yellowknife Gold	1	45c	45c	50c	9,600	45c Jan	53c Jan
Alba Explorations	1	10c	10c	11c	16,125	9c Jan	15c Jan
Alberta Distillers common	*	3.10	2.90	3.15	46,525	2.70 Jan	3.15 Feb
Voting trust	*	2.55	2.35	2.60	32,705	2.00 Jan	2.60 Feb
Alberta Gas Trunk	5	23¾	23⅝	24	17,158	21⅜ Jan	24¼ Jan
Alberta Pacific Cons Oils	*	50c	50c	54c	33,704	43c Jan	54c Feb
Algom Uranium common	1	14¾	14	15¾	14,333	14 Feb	16¾ Jan
5% debentures	100	--	99⅝	99⅝	30	99¼ Jan	99¾ Jan
Warrants		3.25	3.00	4.85	31,490	3.00 Feb	5.70 Jan
Algoma Central voting trust	10	20¼	20¼	20½	256	19⅝ Jan	21½ Jan
Algoma Steel	*	37⅞	37	38½	3,055	35¾ Jan	39⅛ Jan
Allied Roxana Mines	*	--	37c	38c	4,925	35c Jan	39⅛c Jan
Aluminium Ltd	*	29½	29¼	30⅝	19,719	29¼ Jan	32 Jan
Aluminum Co 4% preferred	25	22	22	22	295	21 Jan	22 Feb
4½% preferred	50	44	43¾	44	800	43 Jan	44 Jan
Amalgamated Larder Mines	1	--	29c	31½c	35,383	24c Jan	39c Jan
Amalgamated Rare Earth	1	18c	15c	18c	18,209	15c Jan	18c Feb
American Leduc Petroleums Ltd	*	21c	19c	21c	49,400	16c Jan	25c Jan
American Nepheline	50c	87c	80c	89c	7,175	67c Jan	89c Jan
Amurex Oil Develop	1	--	4.10	4.10	100	3.80 Jan	4.10 Feb
Anacon Lead Mines	20c	1.14	1.00	1.18	141,416	67c Jan	1.18 Feb
Analogue Controls	1c	8½c	8¼c	9c	5,045	6c Jan	9⅜c Jan
Anchor Petroleums	1	20c	20c	22½c	11,600	19c Jan	23c Jan
Anglo American Explor	4.75	10¾	9.45	10¾	1,741	9.00 Jan	10¾ Feb
Anglo Canadian Pulp & Paper pfd	50	--	52½	53	194	50¾ Jan	53 Feb
Anglo Huronian	*	14	13½	14	3,432	12½ Jan	14 Feb
Anglo Rouyn Mines	1	30c	28c	30c	1,600	26c Jan	32c Jan
Ansil Mines	1	46½c	46c	50c	116,097	34c Jan	52c Jan
Anthes Imperial	*	42½	42½	43	170	36 Jan	45 Jan
Class B 1st preferred	100	--	96	97	255	96 Feb	97½ Jan
Apex Cons Resources	*	5½c	4½c	5½c	70,000	4c Jan	7c Jan
Arcadia Nickel	1	20c	20c	21c	14,050	16c Jan	23c Jan
Arcan Corporation	*	3.15	1.60	3.15	54,461	1.50 Jan	3.15 Feb
Area Mines	1	1.09	1.01	1.20	27,950	99c Jan	1.22 Jan
Argus Corp common	*	37¾	35¼	38	10,966	32 Jan	39 Feb
$2½ preferred	50	48	47	48	390	46 Jan	48 Feb
$2.40 preferred	50	82¾	79	84½	1,887	69 Jan	84½ Feb
Arjon Gold Mines	*	13½c	13½c	15c	10,500	13c Jan	15c Jan
Asamera Oil	40c	1.94	1.80	2.08	202,529	1.64 Jan	2.05 Feb
Ashdown Hardware class B	10	14	14	14¼	375	14 Jan	14¼ Feb
Ash Temple common	*	--	5	5	150	4.85 Jan	5.00 Jan
Atlas Steels	*	27¾	27¾	29¼	13,730	25⅞ Jan	29¼ Feb
Atlas Yellowknife Mines	1	--	10½c	11c	10,500	10c Jan	15c Jan
Atlin-Ruffner Mines	1	19c	18c	20c	27,464	18c Jan	22c Jan
Aubelle Mines	1	--	6½c	8c	5,000	5½c Jan	8c Feb
Aumacho River Mines	1	15c	15c	16c	37,000	15c Jan	20c Jan
Aumaque Gold Mines	1	13c	12c	16c	193,000	11c Jan	16c Feb
Aunor Gold Mines	1	2.74	2.70	2.74	2,150	2.65 Jan	2.85 Jan
Auto Electric common	*	19	18¾	19	380	18¾ Feb	19½ Jan
Auto Fabric Prods class A	*	7	7	7	30	7 Jan	8 Jan
Avillabona Mines	1	--	7c	7c	1,500	5c Jan	8c Jan
Bailey Selburn Oil & Gas class A	1	9.75	9.75	10¼	6,680	9.40 Jan	10⅞ Jan
5% preferred	25	24⅞	23	25	1,390	22½ Jan	25 Feb
5¾% preferred	25	23½	23	23½	990	22¼ Jan	23½ Jan
Banff Oils	50c	--	1.81	1.90	2,200	1.76 Jan	2.00 Jan
Bankeno Mines	1	--	22c	25c	5,766	18½c Jan	25c Feb
Bankfield Consol Mines	1	9c	9c	10c	5,032	8c Jan	10c Feb
Bank of Montreal	10	55⅛	52⅞	55¼	6,807	52¾ Feb	56 Jan
Bank of Nova Scotia	10	67	66	67	2,476	65⅞ Jan	67 Jan
Rights		5.40	5.25	5.45	9,820	5.15 Jan	5.90 Jan
Barnat Mines	1	1.62	1.51	1.69	49,203	1.40 Jan	1.69 Feb
Barvue Mines	1	13½c	13c	14c	3,500	10c Jan	14c Jan
Barymin Exploration Ltd	1	67c	67c	67c	2,200	65c Jan	72c Jan
Basco Oil & Gas	*	66c	65c	74c	67,800	65c Feb	77c Jan
Base Metals Mining	*	21c	21c	24c	17,000	17c Jan	26c Jan
Baska Uranium Mines	*	18½c	17½c	19c	34,200	14c Jan	19c Jan
Bata Petroleums Ltd	*	6½c	6c	6½c	4,000	6c Jan	7c Jan
Bathurst Power & Paper class A	*	51½	51	51½	557	47¾ Jan	51½ Feb
Class B	*	35½	33	36	795	26½ Jan	36 Feb
Beattie Duquesne	1	23c	22½c	24c	10,392	19½c Jan	26c Jan
Beatty Bros	*	6¼	6¼	6⅝	280	6¼ Feb	7 Jan
Beaver Lumber Co common	*	--	29	29	260	29c Jan	30c Jan
Class A	*	--	18¼	18¾	295	18¼ Feb	18¼ Feb
Belcher Mining Corp	1	1.15	1.06	1.21	95,022	90c Jan	1.30 Jan
Belleterre Quebec Mines	1	1.61	1.54	1.65	1,600	1.53 Jan	1.75 Jan
Bell Telephone	25	42⅜	41⅞	42¾	14,777	41⅜ Jan	42¾ Feb
Bethlehem Copper Corp	50c	1.02	1.00	1.08	19,200	90c Jan	1.09 Jan
Bevcon Mines	1	16½c	16c	16½c	10,871	15c Jan	18c Jan
Bibis Yukon Mines	1	15½c	15c	18½c	543,600	10½c Jan	18½c Jan
Bicroft Uranium Mines	1	99c	95c	99c	17,896	95c Jan	1.10 Jan
Warrants		3c	3c	5c	35,150	3c Feb	10c Jan
Bidcop Mines Ltd	1	16c	16c	19c	33,240	12c Jan	19c Jan
Black Bay Uranium	*	20c	20c	21c	8,600	18c Jan	24c Jan
Blue Ribbon preferred	50	--	50	50	35	50 Jan	50 Jan
Bonville Gold Mines	1	7c	6½c	7½c	22,000	6c Jan	8c Jan
Bordulac Mines	1	8c	8c	8c	2,000	8c Jan	16c Jan
Bouzan Mines Ltd	1	64c	62c	66c	32,100	53c Jan	66c Jan
Bowater Corp 5% pfd	50	45	44⅞	45	215	43¼ Jan	45 Jan
5½% preferred	50	--	49	49	70	44¼ Jan	50 Jan
Bowater Paper	1	6¾	6⅛	6¾	2,814	6 Jan	6¾ Feb
Boymar Gold Mines	1	12c	11½c	13½c	480,566	8c Jan	13½c Jan
Bralorne Mines	*	7.60	7.55	7.70	6,725	7.05 Jan	7.95 Jan
Bralsaman Petroleums	1	--	75c	75c	700	75c Jan	75c Jan
Brazilian Traction common	*	6⅛	6	6⅛	12,081	6 Jan	6½ Jan
Bridge Tank common	*	--	24	24	165	21¾ Jan	25 Jan
Preferred	50	48	48	48	135	47 Jan	48 Feb
Warrants		12½	12½	12¾	167	11 Jan	12⅞ Jan

CANADIAN MARKETS

RANGE FOR WEEK ENDED FEBRUARY 6

	Par		Low	High		Low	High
Britalta Petroleum	1	2.84	2.84	3.10	18,620	2.71 Jan	3.20 Jan
British American Oil	•	43¾	43⅝	44⅜	18,036	39¾ Jan	44⅜ Feb
British Columbia Electric—							
4% preferred	100	75	75	75	130	75 Feb	76 Jan
4¼% preferred	50	—	39¼	39¼	126	38 Jan	40⅛ Jan
4½% preferred	50	—	41½	41½	105	40½ Jan	41½ Jan
4¾% preferred	100	88	87	88	305	86¼ Jan	88 Feb
5% preferred	50	47	46⅝	47½	230	46 Jan	47 Jan
5½% preferred	50	50¼	49⅞	50¼	1,098	49½ Jan	51½ Jan
British Columbia Forest Products	•	14¾	13¾	15	11,622	12½ Jan	15 Feb
British Columbia Packers class A	•	15	15	15¾	300	15 Feb	17¼ Jan
Class B	•	15⅜	15	15¾	400	15 Feb	17⅜ Feb
British Columbia Power	•	38	38	39¼	8,481	35½ Jan	40 Jan
British Columbia Telephone	25	41	40¼	42	5,626	40 Jan	44⅝ Jan
Rights		1.70	1.55	1.95	28,803	1.50 Jan	2.00 Jan
Brouiau Reef Mines	1	52c	52c	56c	15,700	52c Feb	59c Jan
Brown Company	1	13⅝	13⅝	14⅛	950	13⅝ Feb	14¾ Jan
Bruck Mills class A	•	—	9⅛	9⅛	200	8¼ Jan	10 Jan
Class B	•	2.75	2.50	2.75	340	2.20 Jan	2.75 Feb
Brunhurst Mines	1	7c	6c	7½c	10,000	5c Jan	8c Jan
Brunsman Mines	1	—	7c	8c	10,750	6½c Jan	9c Jan
Brunswick Mining & Smelting	1	3.60	3.50	3.60	5,115	3.40 Jan	3.65 Jan
Buffadison Gold	1	16c	16c	18½c	144,700	11c Jan	22c Jan
Buffalo Ankerite	1	1.77	1.37	1.77	29,421	1.30 Jan	1.77 Feb
Buffalo Red Lake	1	—	8c	9c	16,200	6½c Jan	9c Jan
Building Products	•	37¾	37¼	38½	1,495	37¼ Feb	39 Jan
Bullochs Ltd class A	•	—	6½	6½	300	6¼ Feb	6½ Jan
Bunker Hill Ext	•	10c	9c	11c	16,500	6½c Jan	16c Jan
Burlington	•	—	18¼	18¼	225	16¾ Jan	19 Jan
Burns	•	13	12¾	13	1,680	12½ Jan	13 Jan
Cable Mines Oils	1	24c	19½c	25½c	42,167	17½c Jan	25½c Feb
Cadamet Mines	1	29c	27½c	32c	11,130	27½c Feb	36c Jan
Calalta Petroleum	25c	1.14	1.03	1.27	255,060	77c Jan	1.27 Feb
Calgary & Edmonton	•	33	33	33¼	1,225	28⅞ Jan	35 Jan
Calgary Power common	•	87	87	89	305	78½ Jan	89 Feb
Calvan Consol Oil	1	—	4.00	4.00	150	3.85 Jan	4.00 Jan
Campbell Chibougamau	1	8.30	8.30	9.00	11,515	6.95 Jan	9.00 Feb
Campbell Red Lake	1	11¼c	11¼c	11¾c	2,230	10¾c Jan	12c Jan
Canada Bread common	•	5	5	5	750	4.80 Jan	4.90 Jan
Class B preferred	50	55⅜	55⅜	55⅜	25	55⅜ Feb	55⅜ Feb
Canada Cement common	•	34¾	34½	35	2,264	32 Jan	35 Feb
Preferred	20	—	28	28¼	135	27 Jan	28½ Jan
Canada Crushed Cut Stone	•	14	14	14	75	12½ Jan	14 Jan
Canada Iron Foundries common	10	—	37	37¼	1,040	35 Jan	37½ Jan
4¼% preferred	100	100	99	100	355	97 Jan	100 Jan
Canada Life Associates	10	—	216	216	150	205 Jan	216 Jan
Canada Malting common	•	—	73	73	130	69½ Jan	73 Jan
Preferred	26	25⅛	25	25½	505	25 Jan	25½ Jan
Canada Oil Lands	•	2.15	1.95	2.15	6,900	1.80 Jan	2.35 Jan
Warrants		95c	82c	99c	2,900	75c Jan	1.00 Jan
Canada Packers class A	•	—	53½	53½	50	53 Jan	57 Jan
Class B	•	52	51⅞	52	205	50 Jan	54 Jan
Canada Permanent Mtge	10	63	63	63	110	58 Jan	63 Feb
Canada Safeway Ltd preferred	100	—	89	89	45	89 Feb	90 Jan
Canada Southern Oils warrants		—	64c	75c	700	60c Jan	85c Jan
Canada Southern Petroleum	1	3.30	3.10	3.35	2,773	3.10 Feb	3.60 Jan
Canada Steamship Lines common	•	—	41	42	527	40 Jan	42½ Jan
Preferred	12.50	—	11¾	11¾	334	11½ Jan	12¼ Jan
Canada Wire class B	•	15⅛	15⅛	15¼	1,200	15 Jan	15½ Jan
Canadian Astoria Minerals	1	9½c	9½c	10c	14,506	7c Jan	13c Jan
Canadian Bank of Commerce	20	56⅛	55⅝	56½	6,365	54 Jan	56½ Feb
Rights		4.85	4.70	4.90	18,268	4.40 Jan	4.90 Feb
Canadian Breweries common	•	38¼	37½	39¼	12,338	35¾ Jan	39¼ Jan
Preferred	25	37¾	37¾	38⅞	345	35 Jan	38⅞ Feb
Canadian British Aluminium com	•	13⅜	12⅞	13⅜	2,355	12½ Jan	15 Jan
Class A warrants		5.55	5.25	5.70	2,195	4.75 Jan	6.50 Jan
Class B warrants		4.40	4.20	4.40	1,635	4.00 Jan	5.00 Jan
Canadian Canners class A	•	14¼	14⅛	14¼	1,265	14⅛ Jan	15 Jan
Canadian Celanese common	•	19	18⅞	19⅛	1,445	18⅛ Jan	19⅞ Jan
$1 preferred	25	—	17½	17¾	500	17½ Feb	18½ Jan
$1¾ preferred	25	32⅞	32½	33	235	29 Jan	33 Jan
Canadian Chemical & Cellulose	•	9⅛	8¾	9⅛	2,885	8½ Jan	9⅞ Jan
Canadian Chieftain Pete	•	1.45	1.45	1.54	17,200	1.35 Jan	1.57 Jan
Canadian Collieries common	3	5⅝	5½	5⅞	4,325	4.55 Jan	6¼ Jan
Preferred	1	75c	75c	75c	700	64c Jan	80c Jan
Canadian Curtis Wright	•	3.55	3.35	3.85	43,297	2.95 Jan	4.10 Jan
Canadian Devonian Petroleum	•	5.55	5.55	5.90	14,425	5.40 Jan	6.05 Jan
Canadian Drawn Steel pfd	•	—	11	11	200	10¾ Jan	11½ Jan
Canadian Dredge & Dock	•	29½	27¾	30	7,205	25⅞ Jan	30 Feb
Canadian Dyno Mines	1	—	55c	61c	6,755	55c Feb	75c Jan
Canadian Eagle Oil	•	7¼	7¼	7¼	100	7¼ Feb	8 Jan
Canadian Export Gas & Oil	16⅔	2.65	2.65	2.85	15,704	2.31 Jan	2.90 Jan
Canadian Fairbanks Morse com	•	—	25½	26	925	25 Jan	26¼ Jan
Canadian Gen Securities class A	•	—	18	18	255	18 Jan	19½ Feb
Canadian High Crest	20c	50c	47c	53c	33,350	47c Jan	62c Jan
Canadian Homestead Oils	10c	1.70	1.65	1.76	7,911	1.65 Feb	1.85 Jan
Canadian Husky Oil	1	13	12¾	13⅝	5,012	12¾ Feb	14¾ Jan
Warrants		7.20	7.20	7.65	1,000	7.20 Jan	8.50 Jan
Canadian Hydrocarbon	•	8	8	8½	1,728	7⅛ Jan	8⅝ Jan
Canadian Industries common	•	17½	16¼	20¼	55,169	15½ Jan	20¼ Feb
Canadian Malartic Gold	•	71c	70c	76c	34,882	68c Jan	84c Jan
Canadian North Inca	1	34c	30c	40c	364,140	21c Jan	40c Feb
Canadian Northwest Mines	•	69c	65c	72c	26,849	65c Jan	82c Jan
Canadian Oil Cos common	•	29½	29	29¾	9,309	27½ Jan	29¾ Feb
5% preferred	100	—	100½	100½	245	98 Jan	100½ Jan
1953 warrants		11	10⅞	11	1,635	10⅛ Jan	11 Feb
Canadian Pacific Railway	25	29⅝	29½	29⅞	4,442	28 Jan	30⅜ Jan
Canadian Petrofina preferred	10	12¾	12¾	13	1,041	12¾ Feb	14½ Jan
Canadian Salt	•	32	32	32	50	30 Jan	32 Feb
Canadian Thorium Corp	1	8c	8c	8½c	9,200	7½c Jan	9c Jan
Canadian Tire Corp common	•	140	140	140	60	126 Jan	146¾ Jan
Canadian Vickers	•	—	23	23½	275	22¾ Jan	24 Jan
Canadian Wallpaper Mfrs class A	•	—	23	23	105	23 Feb	23 Feb
Canadian West Natural Gas 4% pfd	20	—	15	15	240	14¾ Jan	15½ Jan
Canadian Western Oil	1	2.66	2.30	2.66	12,352	2.20 Jan	3.00 Jan
Canadian Westinghouse	•	—	50½	52	260	50½ Jan	52 Jan
Canadian Williston	6c	1.99	1.99	2.00	600	1.45 Jan	2.00 Feb
Candore Exploration	1	24c	20c	25c	292,281	16⅛c Jan	25c Feb
Can Erin Mines	1	66c	64c	73c	591,964	35c Jan	77c Jan
Can Met Explorations	1	78c	75c	85c	36,275	75c Feb	1.07 Jan
Warrants		35c	35c	37c	12,725	35c Jan	55c Jan
Captain Mines Ltd	•	12½c	12½c	13c	1,000	10c Jan	15c Jan
Cariboo Gold Quartz	1	85c	85c	88c	2,550	82c Jan	94c Jan
Cassiar Asbestos Corp Ltd	•	11	10¾	11	8,065	9.40 Jan	11⅛ Jan
Castle Trethewey	1	—	5.00	5.00	2,100	4.95 Jan	5.00 Jan
Cayzor Athabaska	•	2.85	2.85	2.85	100	2.85 Jan	3.10 Jan
Central Del Rio	•	8.25	8.20	8.65	20,803	7.95 Jan	9.20 Jan
Central Pat Gold	1	1.30	1.24	1.32	18,350	1.05 Jan	1.35 Jan
Central Porcupine	1	16⅜c	16c	17½c	15,500	16c Jan	23½c Jan
Charter Oil	•	1.67	1.67	1.70	2,950	1.62 Jan	1.90 Jan
Chateau Gai Wines	•	—	20½	21	500	19½ Jan	21 Feb
Cheskirk Mines	1	—	6½c	7c	7,000	6c Jan	7c Jan
Chesterville Mines	1	33c	24c	35c	123,605	19c Jan	35c Feb
Chib Kayrand Cop Min	1	—	19c	20c	14,600	16½c Jan	20c Jan
Chiboug Jaculet Mines	75c	72c	70c	74c	18,926	64c Jan	75c Jan
Chibougamau Mining & Smelting	1	1.32	1.31	1.50	8,800	1.23 Jan	1.65 Jan
Chimo Gold Mines	1	78c	75c	82c	59,700	62c Jan	82c Feb
Chromium Mining & Smelting	•	2.65	2.65	2.85	320	1.25 Jan	2.85 Feb
Chrysler	25	—	50	50	165	50 Feb	50 Feb
Circle Bar Knitting common	•	—	2.00	2.00	100	2.00 Feb	2.00 Feb
Cochenour Willans	1	3.65	3.60	4.10	55,890	3.30 Jan	4.10 Jan
Cockshutt Farm Equipment	•	12½	12½	13¼	2,525	12⅜ Jan	14¼ Jan
Cody Reco	1	18c	17c	19c	28,500	15c Jan	21c Jan
Coin Lake Gold Mines	1	17c	16½c	19c	32,200	15c Jan	19c Feb
Coldstream Copper	1	51c	50c	58c	264,615	38c Jan	58c Feb
Colomac Yellowknife Mines	1	8c	7½c	8c	15,000	6½c Jan	8c Jan
Combined Enterprises	•	11⅞	11½	11⅞	1,670	11½ Jan	12 Jan
Combined Metals	•	33c	33c	34½c	17,599	32c Jan	37c Jan
Commonwealth Petroleum	•	—	3.50	3.50	400	3.00 Jan	4.00 Jan
Conduits National	1	—	11	11¼	905	10½ Jan	11¼ Jan
Confed Life	10	—	149	150	45	149 Feb	150 Feb
Coniagas Mines	2.50	61c	60c	63c	17,500	50c Jan	63c Jan
Coniaurum Mines	•	—	29c	29c	1,082	27c Jan	32c Jan
Con Key Mines	•	25c	23c	26c	4,375	22c Jan	26c Feb
Consolidated Allenbee Oil	•	—	7½c	9c	15,625	6½c Jan	9½c Jan
Consolidated Bakeries	•	—	9	9⅛	350	8⅝ Jan	9⅛ Jan
Consolidated Bellekeno Mines	1	11½c	11½c	13½c	36,001	11c Jan	14c Jan
Consolidated Beta Gamma	•	13c	13c	15c	5,900	11c Jan	17c Jan
Consolidated Calliman Flin		13½c	13c	13½c	23,775	13c Jan	15c Jan
Consolidated Central Cadillac	1	7c	7c	8c	2,500	6½c Jan	8c Jan
Consolidated Denison Mines	1	12¾	12⅝	13	23,914	12½ Jan	14⅛ Jan
Warrants		3.10	3.05	3.30	8,551	3.05 Feb	3.95 Jan
Consolidated Discovery	1	3.80	3.75	3.90	7,112	3.65 Jan	3.90 Jan
Consolidated Dragon Oil	1	35c	35c	40c	14,900	27c Jan	47c Jan
Consolidated East Crest	•	43c	43c	43c	1,000	38c Jan	45c Jan
Consolidated Fenimore Mines	7	52c	50c	55c	17,261	50c Feb	63c Jan
Consolidated Gillies Lake	1	—	8c	8c	1,700	7½c Jan	10½c Jan
Consolidated Golden Arrow	1	28c	26c	29c	11,500	19c Jan	29c Feb
Consolidated Halliwell	1	91c	87c	97c	954,875	61c Jan	97c Feb
Consolidated Howey Gold	1	4.15	4.00	4.15	5,845	3.50 Jan	4.50 Jan
Consolidated Marbenor Mines	1	48c	48c	51c	10,000	45c Jan	57c Jan
Consolidated Marcus Gold Ltd	1	70c	66c	75c	12,937	57c Jan	75c Feb
Consolidated Mic Mac Oils Ltd	•	4.85	4.70	4.90	19,765	3.80 Jan	4.90 Jan
Consolidated Mining & Smelting	•	22¼	21⅞	22¾	9,798	20½ Jan	22¾ Feb
Consolidated Mogul	1	1.97	1.83	2.05	105,625	1.50 Jan	2.05 Feb
Consolidated Morrison Explor	1	22c	22c	23c	2,750	18c Jan	24c Jan
Consolidated Mosher	2	73c	72c	75c	18,246	63c Jan	88c Jan
Consolidated Negus Mines	1	32c	29c	33c	117,500	25c Jan	33c Feb
Consol Nicholson Mines	•	—	7c	8c	14,000	6c Jan	8c Feb
Consol Northland Mines	1	27c	26c	30c	8,100	26c Feb	35c Jan
Consolidated Peak Oils	1	—	6½c	7c	5,000	5½c Jan	7c Jan
Consolidated Pershcourt Mine	1	15½c	15½c	15½c	500	15½c Feb	16½c Jan
Consolidated Quebec Gold Mines	2.50	—	43c	43c	580	43c Jan	43c Jan
Consolidated Red Poplar	1	11c	10c	11c	11,617	9c Jan	11c Jan
Consolidated Regcourt Mines Ltd	1	16½c	16c	17½c	26,200	13½c Jan	19c Jan
Consolidated Sannorm Mines	1	7½c	7c	8c	8,500	7c Jan	8c Jan
Consolidated Sudbury Basin	1	80c	79c	84c	85,300	72c Jan	84c Feb
Consolidated West Petroleum	•	5.65	5.20	5.65	3,195	4.15 Jan	5.85 Jan
Consumers Gas Co common	10	35¾	34¼	36½	5,531	34 Jan	37 Jan
Class A	100	—	102	102	11	102 Jan	106 Jan
Conwest Exploration	•	4.15	4.15	4.50	3,830	3.90 Jan	4.50 Jan
Copp Clark Publishing	•	—	6⅝	7	760	6⅝ Feb	7 Jan
Coppercorp Ltd	•	38c	32½c	42c	185,500	29½c Jan	42c Feb
Copper-Man Mines	•	14c	13c	16c	41,858	12c Jan	16c Jan
Copper Rand Chiboug	1	2.23	2.18	2.28	34,882	1.98 Jan	2.28 Jan
Corby Distillery class A	•	19½	19¼	19⅝	1,735	19 Jan	19⅝ Jan
Class B	•	19¼	19¼	19¼	50	18 Jan	19¼ Feb
Cosmos Imperial	•	13¼	13¼	13¼	1,255	11⅝ Jan	13¼ Feb
Coulee Lead Zinc	1	52c	47c	53c	16,850	47c Feb	58c Jan
Cournor Mining	1	—	11c	11c	7,500	8½c Jan	12c Jan
Cowichan Copper	•	—	1.05	1.06	400	1.00 Jan	1.06 Jan
Craig Bit	•	—	2.55	2.55	200	2.55 Jan	2.65 Jan
Craigmont Mines	50c	3.70	3.65	3.80	1,630	3.00 Jan	4.10 Jan
Cree Oil of Canada warrants		2.22	2.20	2.29	20,280	1.82 Jan	2.60 Jan
Crestaurum Mines	1	—	8c	9c	14,750	8c Jan	12c Jan
Crestbrook Timber common	•	1.85	1.80	1.85	600	1.80 Jan	1.85 Jan
Warrants		30c	30c	30c	345	23c Jan	34c Jan
Croinor Pershing	1	10½c	10½c	11c	2,700	9½c Jan	11c Jan
Crown Trust	10	28	28	30	275	26 Jan	30 Feb
Crown Zellerbach	5	—	54¼	54½	429	54¼ Feb	58 Jan
Crows Nest	10	—	23	23¼	300	22¼ Jan	23½ Jan
Crowpat Minerals	1	—	14c	15c	44,100	11c Jan	17c Jan
Cusco Mines	1	13c	13c	14c	25,327	13c Jan	18c Jan
Daering Explorers	1	36c	32½c	36c	28,875	30c Jan	39c Jan
Daragon Mines	1	46c	44c	46½c	92,515	33c Jan	47c Jan
Decoursey Brewis Mining	1	29c	27c	30c	7,449	27c Jan	34c Jan
Deer Horn Mines	1	—	17c	21c	38,300	16c Jan	21c Feb
Deldona Gold Mines	1	14½c	14c	14½c	14,000	12c Jan	17c Jan
Delnite Mines	1	65c	62c	69c	20,500	62c Jan	74c Jan
Devon Palmer Oils	25c	1.37	1.33	1.44	30,303	1.28 Jan	1.54 Jan
Distillers Seagrams	2	34	34	34¼	3,635	22¾ Jan	34⅞ Jan
Dome Mines	•	18	18	18½	2,140	17¾ Jan	19 Jan
Dome Petroleum	2.50	12⅛	11¾	12⅛	675	11⅛ Jan	13½ Jan
Dominion Bridge	•	23⅛	23⅛	23⅛	320	21⅞ Jan	24 Jan
Dominion Dairies common	•	6½	6½	6⅝	332	5½ Jan	9 Jan
Rights		45c	45c	50c	2,880	10c Jan	85c Jan
Preferred	35	—	20½	20½	200	20 Jan	20½ Feb
Dominion Electrohome Indus	•	—	33	34½	1,520	24¾ Jan	34⅝ Jan
Warrants		—	21	23	1,175	13¼ Jan	23½ Jan
Dominion Foundry & Steel common	•	43¾	43¾	44½	4,660	41¾ Jan	44½ Feb
Dominion Magnesium	•	11	11	11	1,050	11 Feb	12 Jun
Dominion Scot Inv preferred	50	47	47	47	5	49 Jan	49 Jan
Dominion Steel & Coal common	•	21⅝	21⅝	22	500	19⅞ Jan	22¾ Jan
Dominion Stores	•	88½	88	92½	1,531	83½ Jan	92½ Feb
Dominion Tar & Chemical common	•	15½	14¾	15¾	26,843	14 Jan	16⅛ Jan
Preferred	23.50	20¼	20	20¼	650	19½ Jan	20½ Feb
Dominion Textile common	•	11½	11¼	11⅝	4,110	9⅝ Jan	11⅝ Feb
Donalda Mines	1	13½c	13c	14c	34,900	10c Jan	14c Jan
Dow Brewery	•	—	40	40	25	40 Jan	40 Jan
Duvan Copper Co Ltd	1	22c	21c	24½c	33,500	17c Jan	24½c Feb
Duvex Oils & Minerals	1	14½c	13c	16c	30,250	13c Jan	16c Jan
East Amphi Gold	1	13½c	13½c	14½c	27,000	13c Jan	16c Jan
East Malartic Mines	1	1.46	1.46	1.49	14,750	1.35 Jan	1.58 Jan
East Sullivan Mines	1	2.25	2.23	2.40	8,175	2.00 Jan	2.40 Feb
Eastern Metals	1	9c	9c	10c	12,000	7½c Jan	10½c Jan
Easy Washing Mach pfd	20	17	17	17	100	17 Feb	17⅛ Jan
Economic Investment Trust	10	37¾	37¾	38½	250	37⅝ Jan	38½ Feb
Eddy Match Co	•	—	27½	27¾	75	27¼ Jan	28 Jan
Eddy Paper class A	20	60	57	60	133	53 Jan	60 Feb
Common	•	60	60	60	100	53½ Jan	60 Feb
Elder Mines	1	1.14	1.11	1.20	56,715	80c Jan	1.35 Jan
Eldrich Mines common	1	46c	40c	50c	313,700	28c Jan	50c Jan
El Sol Mining Ltd	1	12½c	12½c	13½c	17,322	10c Jan	14c Jan
Empire Life Insurance	10	63	60½	63	94	60 Jan	63 Feb
Erie Flooring class A	•	—	6	6	275	6 Feb	6 Feb
Eureka Corp	1	36c	34c	36c	6,000	20c Jan	45c Jan
Explorers Alliance	1	10½c	10c	12c	144,000	9c Jan	15½c Jan
Falconbridge Nickel	•	28¼	28	29¼	5,092	28 Feb	29¼ Feb
Famous Players Canadian	•	23	23	23½	1,445	22¾ Jan	24 Jan
Fanny Farmer Candy	1	—	18½	18¾	330	17½ Jan	18¾ Jan
Faraday Uranium Mines	1	1.00	1.00	1.03	14,400	96c Jan	1.05 Jan
Warrants		—	20c	21c	7,660	20c Jan	35c Jan
Fargo Oils Ltd	25c	7.30	6.90	7.65	13,515	6.10 Jan	7.65 Feb
Farwest Tungsten Cop	1	15c	14½c	15½c	8,700	13c Jan	17½c Jan
Fatima Mining	1	89c	86c	1.00	90,700	86c Feb	1.12 Jan
Federal Grain class A	•	51	50	51	655	44 Jan	51 Feb
Fittings class A	•	—	10½	10½	175	10½ Jan	10½ Jan
Fleet Manufacturing	•	—	69c	75c	4,000	65c Jan	75c Jan
Ford Motor Co (U S)	5	52¼	52	52½	385	50 Jan	54 Jan
Ford of Canada class A	•	120	118½	125	1,380	108¼ Jan	125 Feb
Foundation Co	•	15½	15⅛	15½	1,430	14½ Jan	15½ Feb
Francoeur Mines Ltd	20c	9½c	9c	9½c	10,400	8c Jan	10½c Jan
Fraser Companies	•	34½	32⅞	34⅝	1,370	31⅞ Jan	34⅝ Feb
French Petroleum preferred	10	8.40	8.40	8.60	445	8.40 Feb	9.00 Jan
Frobisher Ltd common	•	2.00	1.95	2.03	22,680	1.80 Jan	2.10 Jan
Debentures	100	77	76	78	65	75 Jan	80 Jan
Gatineau Power common	•	39	38⅜	39	867	37¾ Jan	40 Jan
5% preferred	100	—	101	101	27	100 Jan	102 Jan
5½% preferred	100	—	106	107	50	105 Jan	107 Jan
Geco Mines Ltd	1	19½	19¼	20	7,867	17 Jan	20 Jan
General Bakeries	•	7¾	7¾	8⅞	625	7 Jan	8⅞ Jan
General Development	1	36¾	36¾	40¾	9,950	28 Jan	40¾ Feb
General Dynamics	1	58¾	58¾	59¼	326	58¾ Jan	63¾ Jan
General Motors	1⅔	46	46	47	587	46 Feb	49¼ Jan
General Petroleum Canada com	1	4.10	3.90	4.10	750	3.90 Feb	4.25 Jan
Class A	1	3.60	3.60	3.95	7,420	3.40 Jan	3.95 Feb
General Steel Wares common	•	—	12⅝	13	1,700	12⅝ Feb	13 Jan
Preferred	100	90	89	90	140	89 Feb	90 Jan
Genex Mines Ltd	1	15c	15c	19c	12,200	15c Jan	19c Feb
Geo Scientific Prospecting	•	1.20	1.20	1.30	13,400	1.05 Jan	1.30 Feb
Giant Mascot Mine	1	—	10c	11c	6,000	9c Jan	11c Feb
Giant Yellowknife Gold Mines	1	7.15	7.15	7.30	7,425	6.85 Jan	7.45 Jan

For footnotes see page 42.

CANADIAN MARKETS

RANGE FOR WEEK ENDED FEBRUARY 6

	Par		Low	High		Low		High	
Glacier Mining	•	37c	33c	38c	104,625	30c	Jan	38c	Feb
Glenn Uranium Mines	1	—	10c	10½c	7,600	10c	Jan	12c	Jan
Goldale Mines	1	—	18c	20c	4,500	18c	Jan	20½c	Jan
Gold Eagle Gold	1	31½c	30c	34c	127,295	27c	Jan	40c	Jan
Golden Manitou Mines	1	27c	26c	30c	22,300	22c	Jan	32c	Jan
Goldfields Uranium	1	33c	33c	36c	235,200	32c	Jan	42c	Jan
Goodyear Tire Canada common	•	—	190	191	285	185	Jan	191	Feb
4% preferred	50	—	46½	46½	145	46½	Jan	48	Jan
Gordon Mackay class A	•	6⅞	6⅞	6⅞	450	6⅞	Feb	8	Jan
Grafton class A	•	15¼	15¼	15¼	15	15¼	Feb	17	Jan
Grandroy Mines	•	29½c	29c	33c	133,057	20c	Jan	33c	Feb
Granduc Mines	1	—	1.80	1.92	6,450	1.54	Jan	1.92	Feb
Great Lakes Paper	•	39	38¼	39½	1,700	3[illegible]	[illegible]	39¾	Jan
Great Lakes Power common	•	29⅞	26⅞	30¼	4,665	23½	Jan	30¼	Feb
Preferred	25	24¾	24¾	24¾	40	23¾	Jan	26	Jan
Great Northern Gas common	1	6	6	6¼	1,875	5⅞	Jan	6⅝	Jan
Warrants		2.95	2.90	3.00	955	2.90	Jan	3.35	Jan
$2.80 preferred	50	40½	40½	41½	185	40⅛	Feb	41½	Feb
Class B warrants		3.00	3.00	3.10	1,200	3.00	Jan	3.30	Jan
Great Plains Develop	1	18	18	18½	1,360	18	Jan	21¼	Jan
Great West Coal class A	•	—	6⅛	6½	475	5⅛	Jan	6¾	Jan
Great West Saddlery	•	—	47	47¾	395	45	Jan	54	Jan
Greater Winnipeg Gas	•	9½	9½	9¾	1,264	9½	Feb	10¼	Jan
Voting trust		—	9½	9½	2,235	9¼	Jan	10	Jan
Greyhawk Uranium	•	17c	15c	17c	77,200	15c	Jan	20c	Jan
Greyhound Lines	•	—	12¾	13	1,760	12	Jan	13	Jan
Gridoil Freehold	9c	4.70	4.30	4.80	14,800	2.00	Jan	4.80	Feb
Guaranty Trust	10	27	27	27	1,119	26	Jan	27	Feb
Rights		1.10	1.00	1.20	8,746	1.00	Feb	1.20	Feb
Gulch Mines	1	9½c	9½c	10½c	13,500	9c	Jan	13c	Jan
Gulf Lead Mines	1	10c	9c	10c	4,000	8c	Jan	11c	Jan
Gunnar Mines	1	18	17¾	18¾	30,037	17½	Jan	19	Jan
Warrants		6.10	6.00	6.70	10,210	6.00	Feb	7.65	Feb
Gwillim Lake Gold	1	—	8c	9½c	30,500	8c	Feb	8½c	Jan
Gypsum Lime & Alab	•	43¼	42	43⅜	23,683	38½	Jan	45	Jan
Hallnor Mines	1	—	2.00	2.00	500	2.00	Feb	2.00	Feb
Hamilton Cotton common	•	—	16	16	100	15	Jan	16	Feb
Harding Carpets	•	—	9¼	9⅜	225	8¼	Jan	9½	Jan
Hard Rock Gold Mines	1	11½c	10½c	12c	10,700	10½c	Feb	14c	Jan
Harrison Minerals	1	20c	20c	24c	56,900	15c	Jan	25c	Jan
Hasaga Gold Mines	1	19½c	19½c	20c	2,005	18½c	Jan	20c	Jan
Head of Lakes Iron	1	—	9½c	10c	2,000	8½c	Jan	11c	Jan
Headway Red Lake	1	51c	50c	52c	21,800	[illegible]c	Jan	58c	Jan
Heath Gold Mines	1	8c	8c	8c	14,600	7½c	Jan	9c	Jan
Hees (Geo H) & Co	•	6¾c	6¼c	6¾c	1,770	6c	Jan	7¾c	Jan
Hendershot Paper common	•	4.25	4.25	4.50	25	4.00	Jan	5⅛	Jan
Preferred	100	76	76	76	5	76	Feb	76	Feb
Heva Gold Mines	1	6½c	6c	8c	15,600	5½c	Jan	9c	Jan
Highland Bell	1	—	1.77	1.80	1,200	1.61	Jan	1.80	Jan
Highwood Sarcee Oils	20c	35c	33½c	35c	30,482	27c	Jan	37c	Jan
Hinde & Dauch Canada	•	49	49	49	62	47	Jan	50	Jan
Hi Tower Drilling	•	6¾	6¾	7¼	250	6¾	Jan	7¼	Jan
Hollinger Consol Gold	5	32	31	32	6,550	31	Jan	33⅜	Jan
Home Oil Co Ltd—									
Class A	•	19½	19½	19⅞	5,662	19½	Jan	21	Jan
Class B	•	19	19	19⅝	3,119	19	Jan	20¾	Jan
Howard Smith Paper common	•	43¾	43¾	44½	470	40	Jan	44½	Jan
Hoyle Mining	•	4.75	4.75	5.10	11,625	4.25	Jan	5.10	Feb
Hudson Bay Mining & Smelting	•	62¼	61¼	62⅝	3,336	57⅞	Jan	62⅝	Feb
Hudson Bay Oil		19¾	19¾	20¼	5,544	19	Jan	21⅝	Jan
Hugh Pam Porcupine	1	—	18c	19c	1,666	17c	Jan	20c	Jan
Humber Oils	1	—	1.86	1.88	500	1.86	Feb	2.00	Jan
Huron & Erie Mtge	20	—	52	52	230	49	Jan	53	Jan
Imperial Bank	10	68	65¼	68	1,875	62	Jan	68	Feb
Imperial Investment class A	•	11½	10¾	11¾	3,510	10¾	Feb	12¾	Jan
Imperial Life Assurance	10	87¼	87	88	300	77½	Jan	92	Jan
Imperial Oil	•	44⅞	44⅜	45	12,570	44½	Jan	46½	Jan
Imperial Tobacco of Canada ordinary	5	14⅛	14	14½	4,810	13¼	Jan	14½	Feb
Indian Lake Gold	1	8½c	7½c	9c	66,700	6c	Jan	9½c	Jan
Industrial Accept Corp Ltd common	•	39	36½	39	3,495	36½	Jan	39¾	Jan
Warrants		14	12¾	14	2,975	12¾	Feb	15¼	Jan
Ingersoll Machine class A	•	—	7	7	125	7	Feb	7	Feb
Inglis (John) & Co	•	5⅝	5⅝	6	6,346	4¾	Jan	6½	Jan
Ingram & Bell preferred	•	—	11¼	11¼	150	11¼	Feb	11¼	Feb
Inland Cement Co pfd	10	19	18½	19	787	17¾	Jan	20¼	Jan
Inland Natural Gas common	1	6¾	6¾	7	3,835	6¾	Jan	7½	Jan
Warrants		2.65	2.60	2.95	1,400	2.60	Feb	3.05	Jan
Inspiration Min & Dev	1	65c	62c	70c	18,800	58c	Jan	70c	Feb
International Bronze Powders pfd	•	—	23¼	23¼	100	23	Jan	24½	Jan
International Nickel Co common	•	89	82¼	90¼	11,271	63	Jan	90¼	Feb
International Petroleum	•	35	35	38¾	179	35	Feb	42½	Jan
International Ranwick Ltd	1	34c	33c	36c	37,300	27c	Jan	41½c	Jan
Interprovincial Bldg Credits com	•	—	11	11½	560	9¼	Jan	12	Jan
Class B warrants		21c	21c	21c	500	21c	Feb	65c	Jan
Interprovincial Pipe Line	5	54	54	55⅛	7,742	49	Jan	55⅛	Jan
Investors Syndicate class A	25c	27½	24	27½	6,690	21¾	Jan	27½	Feb
Irish Copper Mines	1	3.30	2.77	3.30	90,775	2.30	Jan	3.30	Feb
Iron Bay Mines	1	2.40	2.30	2.41	1,300	2.05	Jan	2.55	Jan
Iroquois Glass preferred	10	12¾	12¾	13¼	1,600	12	Jan	13¼	Jan
Jack Waite Mining	20c	15c	15c	16c	5,500	15c	Jan	17c	Jan
Jaye Exploration	1	51c	46c	51c	13,100	43c	Jan	64c	Jan
Jefferson Lake	1	11⅛	11⅛	12⅛	2,665	10	Jan	12⅜	Jan
Jellicoe Mines (1939)	1	18½c	16½c	20c	327,233	13c	Jan	20c	Feb
Joburke Gold Mines	1	31c	27c	31c	150,150	23c	Jan	34c	Jan
Johns Manville	•	—	53	53	25	53	Feb	53	Feb
Joliet-Quebec Mines	1	32c	30c	39c	58,870	28c	Jan	39c	Feb
Jonsmith Mines	•	17c	16c	17½c	28,900	16c	Jan	22c	Jan
Jowsey Mining Co Ltd	1	65c	60c	65c	12,093	55c	Jan	70c	Jan
Jumping Pound Petrol	•	—	25c	25c	3,000	23c	Jan	28c	Jan
Jupiter Oils	15c	—	2.41	2.52	4,700	1.95	Jan	2.96	Jan
Kelly Douglas class A	•	9⅞	9⅞	10	10,885	9	Jan	10¼	Jan
Warrants		5.75	5.50	5.90	6,350	4.90	Jan	6.10	Jan
Kelvinator of Canada	•	10¼	10	10¼	370	8½	Jan	10½	Jan
Kenville Gold Mines	1	8c	8c	8c	11,500	5½c	Jan	10c	Jan
Kerr-Addison Gold	1	19⅝	19½	20¼	12,871	19¼	Jan	20⅞	Jan
Kilembe Copper	1	2.50	2.40	2.70	5,425	2.35	Jan	3.25	Jan
Warrants		49c	46c	50c	65,500	40c	Jan	62c	Jan
Rights		15c	10c	18c	54,135	9c	Jan	20c	Jan
Kirkland Minerals	1	74c	74c	85c	91,117	56c	Jan	86c	Jan
Kroy Oils Ltd	20c	80c	80c	85c	38,600	75	Jan	95	Jan
Labatt (John) Ltd	•	29¼	28⅝	29¼	795	27¾	Jan	29¼	Jan
Labrador Mining & Exploration	•	29	28½	29¼	3,561	25½	Jan	30⅜	Jan
Lafarge Cement class A	10	11	11	11½	1,455	10¾	Jan	11½	Feb
Lake Cinch Mines	1	1.20	1.14	1.20	20,500	1.03	Jan	1.22	Jan
Lake Dufault Mines	1	90c	86c	95c	24,200	60c	Jan	95c	Feb
Lakeland Gas	1	2.80	2.75	2.85	11,705	2.75	Feb	3.00	Jan
Debentures		83	80¾	83½	394	80	Jan	86½	Jan
Lake Lingman Gold Mines	1	9½c	9½c	11c	3,800	9c	Jan	11½c	Jan
Lake Osu Mines	1	—	24c	25c	5,500	22c	Jan	26c	Jan
Lake Shore Mines	1	4.45	4.45	5.00	355	4.45	Jan	5.00	Jan
Lake Wasa Mining	1	30c	30c	31c	3,350	26c	Jan	31c	Jan
La Luz Mines	•	4.30	4.25	4.35	620	3.50	Jan	4.35	Feb
Lamaque Gold Mines	•	3.60	3.60	3.75	8,800	3.00	Jan	3.75	Feb
Latin American	50c	35c	35c	35c	1,020	33c	Jan	35c	Feb
Laura Secord Candy	3	26¾	26	27	240	24¼	Jan	28¼	Jan
Leitch Gold	1	1.50	1.41	1.56	83,350	1.36	Jan	1.56	Feb
Lencourt Gold Mines	1	—	13c	14½c	24,000	12c	Jan	17c	Jan
Lexindin Gold Mines	1	5½c	5½c	6c	33,900	4½c	Jan	6½c	Jan
Little Long Lac Gold	•	2.30	2.20	2.39	12,250	2.15	Jan	2.48	Jan
Loblaw Groceterias common	•	—	141	141	25	141	Feb	141	Feb
Class B preferred	30	30⅞	30¼	31	1,710	30	Jan	31	Feb
1st preferred	30	30	30	30¼	1,495	29¼	Jan	30¾	Jan
Loblaw Cos class A	•	40	36¾	40	5,605	34	Jan	40	Feb
Class B	•	40¼	37½	40½	6,275	34¼	Jan	40½	Feb
Preferred	50	46	44¾	46	510	44¼	Jan	46	Jan
Class A warrants		17	14½	17	11,095	12	Jan	17	Feb
London Hosiery class A	•	5¼	5¼	5¼	25	4.80	Jan	5.50	Jan
Long Island Petroleums	•	15c	15c	18c	140,000	6½c	Jan	18c	Jan
Lorado Uranium Mines	1	38c	36c	43c	25,350	40c	Jan	48c	Jan
Warrants		18c	16c	18c	6,650	15c	Jan	24½c	Jan
Louvicourt Goldfield	1	11c	9c	11½c	10,300	9c	Feb	11½c	Feb
Lyndhurst Mining Co	1	25½c	25c	34c	138,700	25c	Jan	40c	Jan
Lynx Yellowknife Gold Mines	•	12½c	11c	15c	62,500	7c	Jan	15c	Feb
Macassa Mines	1	2.85	2.85	3.05	2,269	2.66	Jan	3.05	Feb
Macdonald Mines	1	35c	31c	38c	42,500	25c	Jan	55c	Jan
Macfie Explorations	1	11c	11c	14c	40,900	11c	Jan	16c	Jan
Macleods class A pfd	20	23	22	23	950	21¾	Jan	23	Feb
MacLeod Cockshutt	1	1.19	1.19	1.25	9,400	1.19	Jan	1.47	Jan
Macmillan & Bloedel class B	•	43	41⅝	43½	5,194	35¾	Jan	43½	Feb
Madsen Red Lake	1	2.84	2.80	2.95	44,440	2.55	Jan	2.95	Feb
Mages Sporting Goods	10c	1.05	1.05	1.05	200	92c	Jan	1.10	Jan
Magnet Cons Mines	1	9½c	9c	11c	16,050	9c	Feb	12c	Jan
Magnum Fund Ltd	10	14½	14½	14½	100	14⅜	Jan	14½	Feb
Maher Shoes Ltd	•	—	22	22	265	21½	Jan	22	Jan
Majortrans	•	3½c	3½c	4c	22,000	3½c	Jan	4c	Jan
Malartic Goldfields	1	1.04	1.04	1.07	8,775	1.04	Jan	1.12	Jan
Maneast Uranium	1	—	8½c	9c	7,525	7½c	Jan	10c	Jan
Maple Leaf Gardens	•	21	21	22	233	21	Feb	22½	Jan
Maple Leaf Milling common	•	13¼	13	13½	1,625	12¼	Jan	13½	Jan
Preferred	100	95	93	95	251	93	Feb	96	Jan
Maralgo Mines	1	36c	35c	37c	61,525	27c	Jan	42c	Jan
Maroon Mines	1	14c	12½c	14c	22,350	10c	Jan	15c	Jan
Marigold Oils	•	—	12c	15c	12,600	11c	Jan	15c	Feb
Maritime Mining Corp	1	1.17	1.17	1.29	83,490	1.07	Jan	1.29	Feb
Martin-McNeely Mines	1	35c	27½c	40c	857,400	25½c	Jan	40c	Feb
Massey-Ferguson Ltd common	•	12⅞	12½	13⅛	91,523	10½	Jan	13¾	Jan
Preferred	100	128½	124½	130	7,070	106¾	Jan	133	Jan
Matachewan Consol	•	18c	17c	18½c	24,500	17c	Jan	22c	Jan
Maxwell Ltd	•	—	4.50	4.50	130	4½	Feb	5	Jan
Maybrun Mines	1	22c	21c	27c	92,900	15c	Jan	28c	Jan
McColl Frontenac Oil Co Ltd Name changed to Texaco Canada Ltd									
McIntyre Porcupine	•	92¼	91¾	95	999	90	Jan	95	Feb
McKenzie Red Lake	1	35c	35c	41c	136,600	27½c	Jan	45c	Jan
McMarmac Red Lake	1	10c	10c	12c	28,853	8½c	Jan	12½c	Jan
McWatters Gold Mines	•	34c	31c	37c	72,225	27c	Jan	37c	Feb
Medallion Petroleums	1.25	3.35	2.20	3.35	34,611	2.20	Feb	3.35	Jan
Mentor Expl & Dev	50c	—	18c	19c	12,100	17½c	Jan	25c	Jan
Mercury Chipman Knit	•	15c	15c	20c	1,750	8½c	Jan	32c	Jan
Merrill Island Mining	1	1.15	1.10	1.23	29,950	1.00	Jan	1.23	Feb
Mersey Paper 5½% pfd	50	48	48	48	115	47½	Jan	49	Jan
Meta Uranium Mines	1	10c	10c	11½c	22,500	10c	Jan	12c	Jan
Mexican Light & Power common	•	—	14⅝	14⅝	791	13⅛	Jan	14¾	Feb
Preferred	13.50	—	13¾	14	700	13¾	Feb	14¼	Jan
Midcon Oil & Gas	•	77c	75c	82c	42,300	69c	Jan	83c	Jan
Midrim Mining	1	80c	80c	82c	7,200	80c	Feb	90c	Jan
Midwest Industries Gas	•	1.60	1.50	1.60	7,409	1.35	Jan	1.65	Jan
Warrants		—	46c	49c	2,200	35c	Jan	49c	Feb
Mill City Petroleums	•	32c	31c	33c	10,506	29c	Jan	34½c	Jan
Milliken Lake Uranium	1	2.45	2.42	2.70	56,929	2.35	Jan	2.95	Jan
Milton Brick	•	—	3.20	3.40	1,700	2.85	Jan	3.75	Jan
Mindamar Metals Corp	•	7½c	7½c	8c	13,000	7½c	Feb	8c	Jan
Mining Corp	•	14	14	14½	2,850	13⅝	Jan	14½	Jan
Min Ore Mines	1	16½c	16½c	18c	53,800	14½c	Jan	21c	Jan
Modern Containers class A	•	—	12	12	100	12	Feb	13	Jan
Molsons Brewery class A	•	26⅜	26	26½	547	22⅞	Jan	26¾	Jan
Class B	•	25½	25½	26	319	22¾	Jan	26⅞	Jan
Preferred	40	40½	40½	40½	311	40	Jan	40½	Jan
Molybdenum Corp	1	36	36	36	100	36	Feb	47	Jan
Moneta Porcupine	1	92c	84c	93c	45,918	80c	Jan	93c	Feb
Montreal Locomotive Works	•	18¼	18⅛	18⅜	1,225	17½	Jan	19¼	Jan
Montreal Trust	5	—	46	46	100	46	Feb	48½	Jan
Moore Corp common	•	103	92	103	3,904	89½	Jan	103	Feb
Mt Wright Iron	1	75c	65c	85c	287,912	65c	Feb	1.04	Jan
Multi Minerals	1	50c	45c	52c	9,061	45c	Jan	52c	Jan
Nama Creek Mines	1	30c	30c	32c	135,000	16c	Jan	32c	Jan
National Drug & Chemical common	5	15	14⅞	15¼	1,765	14⅞	Feb	15¾	Jan
National Explorations Ltd	•	11½c	11½c	13½c	25,500	9c	Jan	14c	Jan
National Grocers preferred	20	—	27½	27½	80	27⅛	Jan	27½	Feb
National Hosiery Mills class B	•	5.00	4.95	5.00	175	4.95	Feb	5½	Jan
National Petroleum	25c	3.65	3.65	4.00	9,300	3.00	Jan	4.15	Jan
National Steel Car	•	18	18	19	1,465	16	Jan	19	Feb
Nealon Mines	•	12c	12c	15c	840	10c	Jan	20c	Jan
Nello Mines	•	—	15c	15c	1,000	13½c	Jan	15c	Jan
Neon Products	•	15	15	15	100	15	Jan	15¼	Jan
Nesbitt Labine Uranium	1	28c	27c	30c	22,850	27c	Jan	33c	Jan
New Alger Mines	1	9c	9c	9½c	16,100	8c	Jan	9½c	Feb
New Athona Mines	1	45c	42c	51c	39,515	34c	Jan	58c	Jan
New Bidlamaque Gold	1	5½c	5½c	7c	13,650	5c	Jan	7c	Jan
New Bristol Oils	20c	—	9½c	12c	26,775	8c	Jan	12c	Feb
New Calumet Mines	1	39c	36c	42c	38,600	31c	Jan	43c	Jan
New Chamberlain Petroleum	50c	1.40	1.40	1.43	22,530	1.07	Jan	1.48	Jan
New Continental Oil of Canada	•	62c	62c	71c	78,850	38c	Jan	73c	Jan
New Davies Pete	50c	26c	25c	26½c	21,850	20c	Jan	26½c	Feb
New Delhi Mines	1	30c	30c	32c	1,180	26c	Jan	34c	Jan
New Dickenson Mines	1	2.41	2.40	2.60	14,190	2.25	Jan	2.60	Feb
New Goldvue Mines	•	9½c	8c	10c	32,625	7½c	Jan	10c	Feb
New Harricana	1	14c	14c	15c	4,100	13½c	Jan	15c	Jan
New Hosco Mines	1	1.30	1.28	1.44	112,475	1.05	Jan	1.50	Jan
New Jason Mines	1	9½c	9c	10½c	6,800	9c	Jan	12c	Jan
New Kelore Mines	•	10½c	9½c	10½c	19,500	6½c	Jan	11c	Jan
Newlund Mines	1	31c	28c	34c	107,861	27c	Jan	35c	Jan
New Manitoba Mining & Smelting	1	49c	46c	53c	32,170	35c	Jan	54c	Jan
New Mylamaque Exploration	1	1.75	1.61	1.91	494,281	1.18	Jan	1.91	Feb
Newnorth Gold Mines	1	7½c	7½c	8½c	10,000	7½c	Feb	9c	Jan
New Rouyn Merger	1	21c	18c	24c	168,940	10c	Jan	25c	Jan
New Senator Rouyn	1	6½c	6c	6½c	25,440	6c	Jan	10c	Jan
New Superior Oils	1	1.25	1.25	1.38	2,475	1.20	Jan	1.40	Jan
New Taku Mines	•	—	15c	15c	500	15c	Feb	19c	Jan
Niagara Wire class B	•	15¼	15¼	15¼	500	13	Jan	15¼	Feb
Nickel Mining & Smelting	1	79c	75c	85c	69,027	73c	Jan	77c	Jan
Nickel Rim Mines Ltd	1	1.07	1.06	1.18	8,577	96c	Jan	1.20	Jan
Nipissing Mines	1	2.35	2.33	2.40	9,150	2.30	Jan	2.55	Jan
Nisto Mines	1	—	7c	7½c	4,500	6½c	Jan	7½c	Jan
Nor Acme Gold	1	25c	21c	28c	103,000	15c	Jan	28c	Feb
Noranda Mines	•	56¼	56¼	57¾	4,905	52¼	Jan	57¾	Feb
Norgold Mines	1	12½c	12c	13½c	65,600	9c	Jan	13½c	Feb
Norlartic Mines	1	33c	33c	36c	22,250	33c	Jan	37c	Jan
Normetal Mining Corp	•	3.75	3.50	3.85	3,417	3.15	Jan	3.85	Feb
Norpax Nickel	1	23c	22c	24c	23,100	22c	Feb	27c	Jan
Norsyncomaque Mining	1	17½c	17c	22c	29,750	14½c	Jan	22c	Feb
Northcal Oils Ltd	•	23c	20½c	26c	114,700	20c	Jan	36c	Jan
North Canadian Oils common	25c	4.40	4.15	4.60	7,120	3.70	Jan	4.60	Feb
Preferred	50	—	35	35½	350	35	Jan	35½	Feb
Warrants		1.60	1.55	1.80	4,605	1.42	Jan	1.80	Feb
Northgate Exploration Ltd	1	59c	57c	59c	12,428	56c	Jan	59c	Jan
North Goldcrest Mines Ltd	1	—	46c	50c	6,800	45c	Jan	52c	Jan
North Rankin	1	1.75	1.70	1.80	75,100	1.35	Jan	1.97	Jan
Northspan Uranium	1	2.14	1.85	2.20	68,745	1.85	Feb	2.55	Jan
Class A warrants		1.21	1.21	1.34	6,900	1.20	Jan	1.80	Jan
North Star Oil common	•	13⅜	13⅜	13⅞	670	13¼	Jan	13⅞	Jan
Class A	•	14¼	14¼	15	3,740	13¾	Jan	16	Jan
1956 warrants		75c	75c	90c	1,460	75c	Jan	1.05	Jan
1957 warrants	•	4.00	4.00	4.35	2,590	3.55	Jan	5.00	Jan
Northern Canada Mines	•	1.45	1.45	1.52	14,806	1.30	Jan	1.53	Jan
Northern Ontario Natural Gas	•	15⅞	15⅞	16½	7,171	13½	Jan	16¾	Jan
Northern Quebec Power common	•	27	26	27	175	25	Jan	27	Feb
Preferred	50	—	49	49	35	49	Feb	49	Feb
Northern Telephone	20	—	3.50	3.70	400	3.25	Jan	3.70	Jan
Northland Oils Ltd	•	—	37c	39c	8,500	23c	Jan	42c	Jan
Northwestern Util preferred	100	77	77	78	242	75	Jan	79	Jan
Norvalie Mines	1	15c	15c	15c	9,100	13½c	Jan	17c	Jan
Nova Beaucage	1	—	1.40	1.50	420	1.40	Jan	1.60	Jan
Nudulama Mines	•	20½c	20c	23c	10,500	18½c	Jan	23c	Jan
Obaska Lake Mines	•	8c	8c	9½c	25,000	7½c	Jan	9½c	Jan
O'Brien Gold Mines	1	67c	67c	69c	8,000	66c	Jan	75c	Jan
Ocean Cement	•	15½	15⅛	15⅞	3,525	14½	Jan	16	Jan
Ogama Rockland Gold	•	7½c	7c	8c	24,500	6c	Jan	8c	Jan
Oka Rare Metals Mining	1	—	14½c	14½c	1,000	13c	Jan	15½c	Jan
Okalta Oils	90c	1.25	1.25	1.28	5,265	1.12	Jan	1.35	Jan
O'Leary Malartic	•	—	19c	22c	11,800	19c	Feb	23c	Jan
Ontario Jockey Club common	•	2.20	2.20	2.30	18,125	1.90	Jan	2.40	Jan
Warrants		50c	50c	55c	3,500	37c	Jan	65c	Jan
Preferred	10	10	9¾	10	1,386	9½	Jan	10	Jan
Class B preferred	20	—	9½	9½	375	8	Jan	9⅛	Feb

For footnotes see page 42.

CANADIAN MARKETS

RANGE FOR WEEK ENDED FEBRUARY 6

	Par		Low	High		Low	High
Ontario Loan & Debenture	10	--	27¾	28	400	26 Jan	28½ Jan
Opemiska Copper	1	10	9.85	10½	27,135	8.90 Jan	10½ Feb
Orange Crush	*	3.50	3.50	3.50	100	3.35 Jan	3.50 Jan
Orenada Gold	1	--	10c	12c	4,500	9½c Jan	12c Jan
Ormsby Mines	1	36c	32c	36c	13,100	32c Jan	40c Jan
Osisko Lake Mines	1	36c	36c	40c	16,500	36c Jan	45c Jan
Pacific Petroleums	1	16¾	16⅝	17⅜	9,152	16⅝ Feb	18 Jan
Warrants		11¼	11¼	11⅞	910	11¼ Jan	13 Jan
Page Hersey Tubes	*	34	33⅞	34¾	2,465	31 Jan	34¾ Feb
Palliser Petroleum	20c	--	50c	59c	1,500	50c Feb	60c Jan
Pamour Porcupine	*	--	70c	74c	7,730	59c Jan	75c Jan
Paramaque Mines	1	--	10c	11c	4,000	6½c Jan	12c Jan
Parbec Mines	1	--	6c	6½c	9,500	5½c Jan	7½c Jan
Pardee Amalgamated Mines	1	49½c	45c	51c	27,400	46c Feb	56c Jan
Parker Drilling	*	3.50	3.50	3.60	300	3.50 Jan	4.00 Jan
Pater Uranium	1	60c	55c	65c	16,800	32c Jan	65c Feb
Patino of Canada	2	--	5.00	5.20	3,480	4.45 Jan	5.30 Jan
Warrants		--	2.00	2.15	14,714	1.15 Jan	2.15 Feb
Pato Consol Gold	1	3.40	3.25	3.40	2,362	3.25 Jan	3.45 Jan
Paymaster Consol	1	19c	18½c	20c	16,017	16½c Jan	23c Jan
PCB Exploration Ltd	1	--	18c	20c	3,000	17c Jan	20c Feb
Peerless Exploration	1	26½c	23½c	26½c	6,100	21c Jan	26½c Feb
Pembina Pipeline common	1.25	11⅜	10¼	11½	14,770	9¼ Jan	11¾ Jan
Preferred	50	48¾	47	48¾	275	45 Jan	48¾ Feb
Peoples Credit common	*	--	20	20	140	19¾ Jan	20 Feb
Permo Gas & Oil preferred	2	1.60	1.55	1.64	12,155	1.52 Jan	1.80 Jan
Perron Gold Mines	1	24c	22½c	25c	9,600	22½c Jan	26c Jan
Peruvian Oil & Mines	1	1.65	1.55	1.71	9,600	1.30 Jan	1.71 Feb
Petrol Oil & Gas	*	2.03	1.99	2.12	223,960	1.57 Jan	2.12 Feb
Phillips Oil Co Ltd	1	1.57	1.40	1.60	61,120	1.24 Jan	1.64 Jan
Photo Engravers new	*	--	16	16½	325	16 Feb	17 Jan
Pickle Crow Gold Mines	*	1.08	1.05	1.14	21,775	1.01 Jan	1.23 Jan
Pioneer Gold of British Columbia	1	1.51	1.40	1.54	5,315	1.40 Feb	1.56 Jan
Pitch Ore Uranium	1	7½c	7½c	8c	18,100	6c Jan	8c Feb
Placer Develop	*	10½	10½	10¾	1,685	10¼ Jan	12 Jan
Powell River	*	39¼	37¼	39¼	3,650	36½ Jan	39½ Jan
Powell Rouyn Gold	1	--	40c	40c	500	40c Feb	45c Jan
Power Corp	*	66¼	65¾	67	905	61¼ Jan	67 Feb
Prairie Oil Roy	1	2.90	2.85	2.95	1,700	2.65 Jan	3.55 Jan
Prairie Pipe Mfg	*	4.90	4.85	5.00	8,675	4.50 Jan	5⅛ Jan
Premier Border Gold	*	9½c	9c	9½c	8,500	9c Jan	12c Jan
Premium Iron Ore	20c	5¼	5¼	5¾	3,175	4¼ Jan	6¼ Jan
Premier Trust	100	135	135	136	70	135 Feb	136 Feb
President Electric	*	2.10	1.70	2.51	60,460	1.55 Jan	2.51 Feb
Preston East Dome	1	6.35	6.30	6.65	4,900	6.25 Jan	6.80 Jan
Pronto Uranium Mines	1	4.40	4.20	4.65	7,905	4.20 Feb	5.00 Jan
Prospectors Airways	*	99c	90c	1.03	12,806	90c Feb	1.10 Jan
Provo Gas Producers Ltd	*	3.05	2.95	3.10	23,195	2.95 Feb	3.30 Feb
Purdex Minerals Ltd	1	9½c	9c	10½c	37,700	9c Jan	12c Jan
Quebec Ascot Copper	1	55c	51c	57c	60,263	49c Jan	64c Jan
Quebec Chibougamau Gold	1	56c	55c	59c	13,920	49c Jan	63c Jan
Quebec Copper Corp	1	22c	30c	24c	162,032	25½c Jan	34c Feb
Quebec Labrador Develop	1	7c	6½c	7c	13,900	6c Jan	7½c Jan
Quebec Lithium Corp	1	4.50	4.50	4.75	1,100	4.35 Jan	4.80 Jan
Quebec Manitou Mines	1	17c	17c	17c	2,000	14½c Jan	17c Jan
Quebec Metallurgical	*	88c	86c	95c	26,663	80c Jan	95c Jan
Quebec Natural Gas	1	20¼	20¼	21¼	2,969	20¼ Feb	22⅞ Jan
Queenston Gold Mines	1	19½c	18½c	23c	55,669	15c Jan	23c Feb
Quemont Mining	*	12¼	12¼	13⅜	12,210	11½ Jan	13⅜ Feb
Quonto Petroleum	1	10½c	10c	12c	14,291	8½c Jan	12c Feb
Radiore Uranium Mines	1	70c	49c	74c	226,400	44c Jan	74c Feb
Rainville Mines Ltd	*	50c	49c	50c	11,200	43c Jan	50c Jan
Ranger Oil	*	2.24	2.10	2.27	17,425	2.01 Jan	2.27 Jan
Rayrock Mines	1	66c	65c	69c	42,950	65c Jan	75c Jan
Reef Explorations	1	6½c	6½c	8c	20,700	6c Jan	8c Jan
Reeves Macdonald	1	--	1.25	1.25	100	1.25 Feb	1.55 Jan
Renable Mines	1	1.26	1.25	1.26	600	1.25 Jan	1.26 Feb
Rexspar Uranium	1	37c	37c	39½c	10,450	36c Jan	56c Jan
Richwell	1	1.55	1.44	1.55	52,883	1.16 Jan	1.55 Feb
Rio Rupununi Mines	1	--	9½c	16c	4,166	9½c Feb	16c Feb
Rix Athabasca Uranium	1	60c	60c	63c	9,800	60c Feb	77c Jan
Robertson Mfg $1 pfd	*	16⅜	16⅜	17	125	16⅜ Feb	17¼ Jan
Roche Mines	1	23c	20c	23c	97,900	19c Jan	24c Jan
Rockwin Mines	1	38c	37c	39c	14,100	35c Jan	46c Jan
Rocky Petroleum Ltd	50c	13c	13c	13½c	46,896	10c Jan	14c Jan
Roe (A V) Can Ltd	*	--	12⅛	12¾	10,940	12 Jan	13½ Jan
Preferred	100	100	100	100	1,050	99¾ Jan	100 Jan
Rowan Consol Mines	1	9½c	9½c	11c	42,733	9½c Feb	14½c Jan
Royal Bank of Canada	10	78	76¾	78¾	4,754	75½ Jan	78¾ Feb
Royalite Oil common	*	10⅞	10½	11	1,195	10½ Feb	11⅞ Feb
Preferred	25	23	23	23	255	23 Jan	23½ Jan
Russell Industries	*	10¾	10¾	11⅛	2,010	10⅝ Jan	11¼ Jan
St Lawrence Cement class A	*	17⅜	16⅞	17⅜	812	16⅞ Feb	17½ Jan
St. Lawrence Corp com	1	18¼	17⅞	18¾	12,280	16½ Jan	18¾ Feb
5% preferred	100	--	98	99	370	97½ Jan	99 Feb
St Maurice Gas	1	1.20	1.10	1.20	26,700	90c Jan	1.25 Jan
Salada-Shirriff-Horsey common	*	38	35	38¾	9,054	29½ Jan	38¾ Feb
5¾% series B pref	25	70	65	70	313	53½ Jan	70 Feb
Warrants		24¼	20¾	24½	5,735	14½c Jan	24½c Feb
San Antonio Gold	1	62c	61c	63c	9,184	60c Jan	68c Jan
Sand River Gold	1	15c	14c	16c	99,200	14c Jan	18c Jan
Sapphire Petroleums	1	1.10	1.10	1.19	7,150	94c Jan	1.35 Jan
Debentures		--	48	48¼	40	42 Jan	55 Jan
Satellite Metal	1	72c	59c	80c	56,325	55c Jan	80c Feb
Scurry Rainbow Oils Ltd	50c	1.92	1.90	2.01	23,120	1.80 Jan	2.58 Jan
Scythes common	*	--	13½	13½	425	12 Jan	13½ Feb
Security Freehold	*	7.00	6.90	7.00	4,400	6.60 Jan	7.30 Jan
Shawinigan Water & Power com	*	31½	31½	33	3,368	31½ Jan	35 Jan
Class A	*	--	35	35½	350	35 Feb	35½ Feb
Class B preferred	50	--	46	46⅜	100	45¼ Jan	48 Jan
Sheep Creek Gold	50c	--	1.09	1.10	4,300	95c Jan	1.15 Jan
Sherritt Gordon	1	4.20	4.10	4.25	31,721	4.00 Jan	4.60 Jan
Sicks Breweries common	*	35	35	35½	98	32½ Jan	36½ Jan
6% preferred	5	4.95	4.95	5.00	2,630	4.90 Jan	5.00 Jan
Sigma Mines Quebec	1	--	4.15	4.25	500	4.15 Feb	4.35 Jan
Silknit preferred	40	38	38	38	25	38 Feb	38 Feb
Silver Miller Mines	1	62c	58c	63c	13,256	56c Jan	65c Jan
Silver Standard Mines	50c	23c	19c	23c	7,500	18c Jan	23c Feb
Silverwood Dairies class A	*	12	11½	12	1,215	11½ Jan	12 Feb
Simpsons Ltd	*	34½	33¾	34¾	4,919	32 Jan	35 Jan
Siscoe Mines Ltd	1	71c	68c	72c	14,700	65c Jan	73c Jan
S K D Manufacturing	*	--	1.25	1.35	1,700	1.15 Jan	1.65 Jan
Slater common	*	--	26¾	26¾	150	26¾ Feb	28½ Jan
Slocan Van Roi	*	17½c	16c	18c	38,000	16c Jan	19c Jan
Souris Valley Oil	*	10c	8c	11½c	36,200	8c Feb	11½c Feb
Southam	*	69	68	69¾	675	63½ Jan	70 Jan
Southern Union Oils	1	26c	24c	30c	164,400	24c Feb	38c Jan
Spartan Air Services	*	--	7	7	155	6¾ Jan	7¾ Jan
Warrants		2.20	2.20	2.25	100	2.00 Jan	2.50 Jan
Spooner Mines & Oils	30c	20c	19½c	21c	49,830	16c Jan	22c Jan
Stadacona Mines	*	12½c	11½c	14c	64,218	10c Jan	20c Jan
Stand Paving & Materials	*	50	50	52	2,695	47½ Jan	52 Feb
Rights		--	2.00	2.30	8,403	1.35 Feb	2.00 Jan
Stanleigh Uranium Corp	1	1.05	1.03	1.09	21,265	1.00 Jan	1.40 Jan
Warrants	*	51c	51c	55c	5,525	45c Jan	66c Jan
Stanrock Uranium Mines Ltd	1	1.60	1.60	1.92	10,310	1.43 Jan	2.07 Jan
Stanwell Oil & Gas	1	70c	70c	80c	18,256	70c Jan	82c Jan
Starratt Nickel	1	6½c	6½c	7c	39,800	5c Jan	7½c Jan
Stedman Bros	*	40	39¾	40	365	36¼ Jan	41 Jan
Steel of Canada	*	74	72½	74	5,356	68¾ Jan	76 Jan
Steeloy Mining	*	7½c	7c	8c	11,500	6c Jan	8½c Jan
Steep Rock Iron	1	14⅞	14⅜	15¼	38,339	12⅞ Jan	15¼ Jan
Steinberg class A	1	25⅜	23½	25⅜	7,205	23½ Jan	25⅞ Jan
Sturgeon River Gold	1	13c	12c	13c	22,400	12c Jan	14c Jan
Sudbury Contact	1	--	8½c	10c	18,000	6½c Jan	8c Jan
Sullivan Cons Mines	1	2.20	2.18	2.35	30,608	2.00 Jan	2.35 Jan
Sunburst Exploration	1	19c	17c	20c	7,460	16c Jan	20c Feb
Superior Propane common	*	12	11¼	12½	3,750	10¾ Jan	12½ Jan
Warrants		3.30	3.25	3.40	1,160	3.15 Jan	3.50 Jan
Supertest Pete ordinary	*	16	15⅞	17	4,141	15½ Jan	17 Feb
Preferred	100	--	98	98	135	97½ Jan	98 Feb
Switson Industries	*	4.00	3.80	4.15	2,115	3.80 Feb	4.35 Feb
Sylvanite Gold	1	1.07	1.01	1.18	92,565	1.00 Jan	1.18 Feb
Tamblyn common	*	29	29	29	600	27 Jan	31¾ Jan
Taurcanis Mines	1	--	71c	75c	14,350	69c Jan	83c Jan
Voting trust		--	65c	65c	4,000	65c Feb	70c Jan
Taylor Pearson common	*	--	9½	9½	384	9 Jan	9½ Jan
Teck Hughes Gold	1	2.26	2.26	2.48	84,576	2.01 Jan	2.48 Feb
Temagami Mines	1	2.15	2.10	2.20	7,600	1.87 Jan	2.30 Jan
Texas Calgary	25c	43½c	42c	45c	30,000	36c Jan	45c Feb
Texaco Canada Ltd common	*	68⅝	67	69	1,072	63 Jan	69½ Jan
Preferred	100	--	93	93	25	90 Jan	93 Feb
Thompson Lundmark	*	70c	68c	72c	13,300	67c Jan	99c Jan
Tiara Mines	1	7½c	5½c	8c	19,300	5½c Feb	10c Jan
Tidal Petroleums	10c	1.84	1.75	1.95	339,185	1.44 Jan	1.96 Jan
Tombill Gold Mines	*	25c	24½c	26½c	5,300	22½c Jan	27c Jan
Torbrit Silver Mines	1	--	30c	34c	17,000	27c Jan	34c Jan
Toronto Dominion Bank	10	53	51¾	53¾	4,229	51 Jan	53¾ Feb
Toronto Elevators	*	38¾	38⅝	39¼	1,475	37 Jan	39¾ Feb
Toronto General Trusts	20	--	45½	45½	235	41½ Jan	45½ Feb
Toronto Iron Works class A	*	28	27¼	29	550	27¼ Feb	30½ Jan
Toronto Star preferred	50	58	57½	58	880	56½ Jan	58 Feb
Towagmac Exploration	1	--	10½c	10½c	600	10c Jan	14c Jan
Traders Finance class A	*	40¼	39¼	40¼	6,225	39¼ Jan	44 Jan
Class B	*	--	39	39	25	39 Jan	43½ Jan
4½% preferred	100	--	80	80	80	80 Feb	80 Feb
5% preferred	40	--	38¾	39	350	38¾ Jan	43 Jan
1956 warrants		--	7.15	7.25	1,150	4½ Jan	8½ Jan
Trans Canada Explorations Ltd	1	92c	89c	95c	6,740	89c Feb	1.30 Jan
Trans Canada Pipeline	1	27¾	27¾	29⅞	19,662	27¾ Feb	30⅞ Jan
Transmountain Pipe Line	*	12½	12½	13	19,415	12¼ Jan	14 Jan
Transcontinental Resources	*	--	19½c	21c	12,550	17c Jan	21c Jan
Trans Prairie Pipeline	*	28	26½	28¾	3,190	25 Jan	28¾ Feb
Triad Oil	*	5.65	5.60	5.75	25,873	4.75 Jan	5.75 Feb
Tribag Mining Co Ltd	1	38c	30½c	38c	9,805	30½c Feb	38c Feb
Trinity Chibougamau	1	--	22c	24c	7,800	21c Jan	30c Jan
Twin City Gas	*	5.00	4.50	5.00	1,650	4.25 Jan	5.00 Feb
Ultra Shawkey Mines	1	19c	19c	21c	21,606	19c Jan	24c Jan
Union Acceptance common	*	--	10½	11	700	8⅞c Jan	11½c Jan
2nd preferred	*	10¾	10¾	10⅞	450	10½ Jan	11 Jan
Union Gas of Canada	*	17	16½	17¼	13,900	15⅝ Jan	17¼ Feb
Union Mining Corp	1	--	23c	25c	6,000	23c Jan	28c Jan
United Asbestos	1	6.05	6.05	6.45	5,900	6.05 Feb	6.90 Jan
United Canso Oil voting trust	1	--	1.80	1.85	1,332	1.75 Jan	2.03 Jan
United Corps Ltd class B	*	23½	23½	23½	320	23½ Jan	25 Jan
United Keno Hill	*	4.30	4.30	4.50	1,510	4.15 Jan	4.65 Jan
United New Fortune	1	41c	40c	44c	10,001	39c Jan	50c Jan
United Oils	*	2.44	2.40	2.48	29,620	2.38 Jan	2.66 Jan
United Steel Corp	*	12¼	12	12⅜	1,225	10¾ Jan	12½ Jan
United Telefilm Ltd	*	1.35	1.00	1.35	20,700	80c Jan	1.35 Feb
Upper Canada Mines	1	1.00	1.00	1.09	37,475	88c Jan	1.09 Jan
Vandoo Consol Explorations Ltd	1	--	7½c	8c	6,750	7c Jan	9c Jan
Ventures Ltd	*	30⅝	30⅜	31	3,915	27¾ Jan	31¼ Jan
Viceroy Mfg class A	*	--	7¼	7¼	100	6¾ Jan	7¼ Feb
Class B	*	--	2.10	2.10	106	2.10 Feb	2.25 Jan
Violamac Mines	1	1.68	1.60	1.75	14,600	1.15 Jan	1.75 Jan
Wainwright Prod & Ref	1	2.40	2.30	2.50	2,225	2.25 Jan	2.50 Feb
Waite Amulet Mines	*	8.40	7.70	8.40	8,665	6.20 Jan	8.40 Feb
Walker (G & W) common	*	36½	35⅞	36⅝	11,263	33⅞ Jan	36⅝ Feb
Waterous Equipment	*	--	4.90	4.90	315	4¾ Jan	5 Jan
Wayne Petroleums Ltd	*	--	13c	15c	12,760	12c Jan	17c Jan
Webb & Knapp Canada Ltd	1	--	3.60	3.90	1,800	3.60 Jan	3.90 Jan
Weedon Pyrite Copper	1	22c	22c	23c	10,600	21c Jan	25c Jan
Werner Lake Nickel	1	14c	13½c	16c	14,600	10½c Jan	16c Feb
Wespac Petroleums Ltd	*	24c	23c	24c	14,000	19c Jan	25c Jan
Westburne Oil	*	86c	86c	90c	9,550	85c Jan	93c Jan
West Canadian Oil & Gas		2.05	2.00	2.30	23,782	1.85 Jan	2.30 Jan
Rights		5c	5c	7c	19,845	5c Jan	11c Jan
West Malartic Mines	1	8½c	7½c	9c	93,000	6c Jan	9c Jan
Westeel Products	*	14¾	14½	15	925	14½ Jan	18 Jan
Western Canada Breweries	5	32½	32½	32½	145	32½ Jan	32¾ Jan
Western Copper	*	--	10	10	437	10 Jan	11 Jan
Warrants		3.65	3.20	3.65	1,295	3.20 Feb	4.40 Jan
Western Decalta Petroleum	1	2.07	1.98	2.10	42,676	1.58 Jan	2.10 Feb
Western Grocers class A	*	38½	38	38½	50	36¼ Jan	39½ Jan
Preferred	20	--	28	28	100	27 Jan	28 Feb
Western Leaseholds	*	--	3.75	3.75	800	3.75 Feb	3.75 Feb
Western Naco Petrol	*	--	95c	99c	4,550	90c Jan	1.06 Jan
Western Plywood class B	*	--	17⅛	17⅛	220	[illegible] Jan	17⅛ Feb
Weston (Geo) class A	*	39	38	40⅛	6,710	34 Jan	40⅛ Feb
Class B	*	39¼	38	40	6,900	34 Jan	40 Feb
4½% preferred	100	90½	90½	90½	5	87 Jan	91 Jan
Warrants		18	17¾	19¼	7,575	14½ Jan	19¼ Feb
6% preferred	100	107	107	107¼	140	106 Feb	107¼ Feb
White Hardware preferred	50	--	31	31½	175	29 Jan	31½ Feb
White Pass & Yukon	*	--	7½	7½	100	7¼ Feb	8½ Jan
Willroy Mines	1	2.11	2.10	2.30	60,800	1.95 Jan	2.60 Jan
Warrants		1.48	1.47	1.65	8,100	1.35 Jan	1.85 Jan
Wiltsey Coghlan	1	18c	16½c	18½c	250,400	16c Jan	22c Jan
Winchester Larder	1	--	7c	8c	9,400	7c Jan	8c Jan
Windfall Oils & Mines Ltd	1	19c	17c	19½c	14,430	14 Jan	19½ Feb
Wood Alexander	*	--	4.25	4.30	485	4.25 Jan	4.80 Jan
Wood (J) Indus class A	*	26¼	25¾	26¼	1,310	25½ Jan	26½ Jan
Woodward class A warrants	*	10⅝	10⅜	10⅝	1,520	9.10 Jan	10¾ Jan
Class A	5	20½	20⅜	20¾	4,750	18 Jan	20¾ Feb
Wright-Hargreaves	*	1.41	1.40	1.42	8,945	1.35 Jan	1.48 Jan
Yale Lead & Zinc	1	34c	30c	37c	174,550	26c Jan	37c Jan
Yankee Canuck Oil	20c	13½c	8½c	13½c	226,822	8½c Feb	14c Jan
Yellorex Mines	1	9c	8½c	9c	5,500	7½c Jan	9½c Jan
Yellowknife Bear Mines	*	1.36	1.31	1.46	79,265	97c Jan	1.64 Jan
York Knitting class A	*	--	1.80	1.80	300	1.80 Feb	1.80 Feb
Class B	*	25c	25c	25c	30	25c Feb	25c Feb
Young (H G) Mines	1	79c	77c	86c	45,150	68c Jan	86c Feb
Yukeno Mines	1	6½c	6½c	7½c	5,700	5½c Jan	7½c Feb
Zenmac Metal	1	28½c	28c	30c	34,700	28c Feb	32c Jan
Zulapa Mining	1	--	24c	25c	7,000	20c Jan	28c Jan

Toronto Stock Exchange — Curb Section

Prices Shown Are Expressed in Canadian Dollars

	Par		Low	High		Low	High
Andian National Corp	*	6	6	6	100	5 Jan	6 Feb
Anglo Con Pulp Paper	*	41½	41	41½	185	37½ Jan	41½ Feb
Anglo Newfoundland Develop	5	7⅝	7½	7¾	4,200	6⅞ Jan	8⅝ Jan
Asbestos Corp	*	35⅛	34¼	35¾	3,023	34¼ Feb	36 Jan
Bulolo Gold Dredging	5	--	3.95	4.10	1,950	3.30 Jan	4.20 Jan
Canada & Dominion Sugar	*	26⅛	26	26½	790	25½ Jan	27⅛ Jan
Canadian General Investments	*	34	34	34¼	520	32¾ Jan	34½ Jan
Canadian Marconi	1	6⅛	6c	6⅛	5,205	5 Jan	6¼ Jan
Coast Copper	5	--	3.50	3.50	100	3.05 Jan	3.50 Feb
Consolidated Paper	*	44	43	45	4,030	41¾ Jan	45 Feb
Dalhousie Oil	*	18c	15½c	18c	5,300	15c Jan	18c Jan
Disher Steel	*	--	90	91	325	90 Feb	91 Feb
Dominion Glass common	*	89	89	91	345	87 Jan	91 Feb
Dupont Co of Canada (1956)	*	21¾	20⅜	21¾	3,017	19¼ Jan	21¾ Feb
Gaspe Copper Mines	1	32¼	31½	32¼	530	30 Jan	32¼ Feb
Hayes Steel Products	*	--	21	21	115	21 Feb	25 Jan
International Paper	7.50	114½	114¼	117½	740	112½ Jan	117½ Feb
International Utilities	5	28⅝	28⅜	30¼	3,825	28⅜ Feb	31 Jan
Loblaw Inc	6	147	147	148¾	450	138 Jan	149½ Jan
Minnesota & Ontario Paper	2.50	--	34¾	34¾	100	33½ Jan	35½ Jan
Pend Oreille Mines	1	--	2.60	2.60	100	2.55 Jan	2.75 Jan
Price Bros	*	48	47	48¼	375	46 Jan	50 Jan
Yukon Cons Gold Corp	1	65c	65c	65c	4,630	61c Jan	66c Jan
Zellers	*	--	35½	36¾	225	35½ Feb	40 Jan

FOOTNOTES FOR OUT-OF-TOWN AND CANADIAN MARKETS

* No par value.
a Odd lot sale (not included in year's range).
d Deferred delivery sale (not included in year's range).
e Selling ex-interest.
f Flat price.
r Cash sale (not included in year's range).
t Ex-liquidating dividend.
(Un) Admitted to unlisted trading privileges.
wd When delivered.
wi When issued.
x Ex-dividend.
y Ex-rights.
z Ex-stock dividend.

NATIONAL LIST OF OVER-THE-COUNTER SECURITIES

Quotations for Friday, February 6

The following bid and asked quotations are obtained from the National Association of Securities Dealers, Inc., and other selected sources. They do not represent actual transactions. They are intended as a guide to the range within which these securities could have been sold (indicated by the "bid") or bought (indicated by the "asked") at the time of compilation. Origin of any quotation furnished on request. The "National" list is composed of securities which have a wide national distribution.

Industrials and Utilities

	Par	Bid	Ask
Aerovox Corp	1	7½	8¼
Air Products Inc	1	33¼	35⅝
American Box Board Co	1	37¾	40⅛
Amer Cement Corp	5	24⅝	26¼
Amer Commercial Barge Line	5	21⅜	22⅞
American Express Co	10	68	71¼
American Greetings Cl "A"	1	30¼	32¾
Amer Hospital Supply Corp	4	73½	77¼
American-Marietta Co	2	44	46⅞
American Pipe & Const Co	1	39½	42½
Amer-Saint Gobain Corp	7.50	26½	28⅞
A M P Incorporated	1	24½	26½
Anheuser-Busch Inc	4	24¾	26⅜
Arden Farms Co common	1	20⅞	22⅜
Partic preferred	*	57	60½
Arizona Public Service Co	5	36⅞	39
Arkansas Missouri Power Co	5	22	23⅜
Arkansas Western Gas Co	5	23¾	25⅞
Art Metal Construction Co	10	33½	36⅛
Associated Spring Corp	10	20¾	22¼
Avon Products Inc	10	96	103
Aztec Oil & Gas Co	1	17⅜	18⅝
Bates Mfg Co	10	8¾	9⅝
Baxter Laboratories	1	43½	46⅝
Bayless (A J) Markets	1	22	23⅝
Bell & Gossett Co	10	14¾	15¾
Bemis Bros Bag Co	25	37½	40⅜
Beneficial Corp	1	13½	14⅝
Berkshire Hathaway Inc	5	7¾	8⅜
Beryllium Corp	*	39	42
Black Hills Power & Light Co	1	33¼	35⅞
Black Sivalls & Bryson Inc com	1	24¾	26¾
Botany Mills Inc	1	6⅛	6¾
Bowser Inc $1.20 preferred	25	20¾	22¾
Brown & Sharpe Mfg Co	10	27¾	30⅛
Brush Beryllium Co	1	19	20⅝
Buckeye Steel Castings Co	*	30½	33
Bullock's Inc	10	48½	51⅞
Burndy Corp	1	14½	15¾
California Oregon Power Co	20	37¾	40
California Water Service Co	25	55¼	58¾
Calif Water & Telep Co	12½	26¾	28⅞
Canadian Delhi Oil Ltd	10c	8⅛	8¾
Canadian Superior Oil of Calif	1	21⅜	22¾
Cannon Mills class B com	25	58½	62½
Carlisle Corp	1	20¼	22⅛
Carpenter Paper Co	1	39	41⅝
Ceco Steel Products Corp	10	30¾	33
Cedar Point Field Trust ctfs		5⅞	6½
Central Electric & Gas Co	3½	23¾	25¼
Central Ill Elec & Gas Co	10	37	39⅜
Central Indiana Gas Co	5	16⅝	17¾
Central Louisiana Electric Co	5	47½	50⅞
Central Maine Power Co	10	26¾	28⅜
Central Public Utility Corp	6	26½	28½
Central Soya Co	*	67¾	71
Central Telephone Co	10	27	29⅛
Central Vt Pub Serv Corp	6	21½	23
Chattanooga Gas Co	1	6⅜	7
Citizens Util Co com cl A	33⅓c	28¼	30⅜
Common class B	33⅓c	27	29⅜
Clinton Engines Corp	1	7	7⅝
Coastal States Gas Prod	1	18⅛	19⅜
Collins Radio Co A com	1	23¾	25⅝
Class B common	1	23¼	24⅞
Colonial Stores Inc	2½	26⅛	28½
Colorado Interstate Gas Co	5	55	58½
Colorado Milling & Elev Co	1	25	28¼
Colorado Oil & Gas Corp com	3	15¾	16⅞
$1.25 conv preferred	25	24½	26¾
Commonwealth Gas Corp	1	9½	10¾
Connecticut Light & Power Co	*	24⅝	26
Consol Freightways	2.50	19⅞	21¼
Consolidated Rock Products	5	16	17¾
Continental Transp Lines Inc	1	10½	11½
Copeland Refrigeration Corp	1	16⅝	17¾
Craig Systems Inc	1	7½	8¼
Cross Company	5	32¾	35⅜
Cummins Engine Co Inc	5	64½	68½
Cutter Laboratories com vtg	1	11¼	12¼
Common Ltd vtg	1	11¼	12¼
Daily Machine Specialties	5	10¼	11⅛
Darling (L A) Co	1	12½	13⅞
Delhi-Taylor Oil Corp	1	15¼	16⅜
Dentists' Supply Co of N Y	2½	29¾	32¼
Detroit & Canada Tunnel Corp	5	15¾	17
Detroit Harvester Co	1	19⅜	20¾
Detroit Internat Bridge Co	1	20¼	22
Di-Noc Chemical Arts Inc	1	18	19⅞
Dictaphone Corp	5	46	49⅞
Diebold Inc	5	29	31½
Donnelley (R R) & Sons Co	5	37¾	40⅜
Duffy-Mott Co	1	25	26¾
Dun & Bradstreet Inc	1	47½	50⅞
Dunham Bush Inc	2	9	9⅞
Duriron Co	2½	21½	23¼
Dynamics Corp of America— $1 preference	2	15¾	17
East Tennessee Nat Gas Co	1	11⅞	12¾
Eastern Industries Inc	50c	20¼	22
Eastern Utilities Associates	10	40¾	43¼
Economics Laboratory Inc	1	21¼	23¼
El Paso Electric Co (Texas)	*	34½	37¼
Electrolux Corp	1	17¾	19⅛
Emhart Mfg Co	7½	49¾	53¼
Empire State Oil Co	1	10¼	11⅛
Equity Oil Co	10c	35½	38¼
Federal Natl Mortgage Assn	100	59	62½
First Boston Corp	10	76¼	80
Fisher Brothers Co	2.50	27½	29⅞
Fisher Governor Co	1	17¾	19⅛
Florida Steel Corp	1	15⅜	16½
Food Mart Inc	2	17¾	19⅛
Foote Bros Gear & Mach Corp	2	14	15⅛
Ft Wayne Corrugated Paper	10	35½	37¾
Frito Co	*	39	42
Garlock Packing Co	1	28½	30⅝
Gas Service Co	10	34⅛	36⅛
General Crude Oil Co	2½	27	30⅜
General Gas Corp	2.50	6½	7⅛
Gen Telep (Calif) 5% pfd	20	20⅛	21⅝
Gen Telep Co of the Southwest 5½% preferred	20	20½	—
Giant Portland Cement Co	1	28⅛	29⅞
Giddings & Lewis Mach Tool Co	2	31¾	34¾
Green (A P) Fire Brick Co	5	30¼	32¾
Green Mountain Power Corp	5	20⅝	21½

	Par	Bid	Ask
Grinnell Corp	*	182	198
Grolier Society	1	29¼	31⅛
Gulf Sulphur Corp	10c	4⅞	5⅜
Gustin-Bacon Mfg Corp	2.50	30	32¼
Hagan Chemicals & Controls	1	67½	71½
Haloid Xerox Inc	5	86½	91¼
Hanna (M A) Co class A com	10	130	136
Class B common	10	133	140
Hearst Cons Publications cl A	25	13⅞	15
Helene Curtis Ind class A	1	10⅜	11¼
High Voltage Engineering	1	55	59
Hoover Co class A	2½	25¾	27½
Houston Corp	1	22⅝	24
Houston Natural Gas	*	29¾	31⅝
Houston Oil Field Mat	1	8⅛	8⅞
Hudson Pulp & Paper Corp— Class A common	1	28¾	31⅛
Hugoton Gas Trust "units"		12⅜	—
Hugoton Production Co	1	73½	77¾
Husky Oil Co	1	9⅜	10⅛
Indian Head Mills Inc	1	44	47¾
Indiana Gas & Water Co	*	25¾	27⅜
Indianapolis Water Co	10	23⅝	25¼
International Textbook Co	*	58½	63
Interstate Bakeries Corp	1	30	32¼
Interstate Motor Freight Sys	1	x10⅜	11⅜
Interstate Securities Co	5	20	21⅜
Investors Diver Services Inc— Class A common	1	197	208
Iowa Public Service Co	5	18	19⅛
Iowa Southern Utilities Co	15	29⅞	31¾
Jack & Heintz Inc	1	11⅞	12⅞
Jamaica Water Supply	*	42	45⅝
Jefferson Electric Co	5	14⅝	15¾
Jefferson Lake Petrochemicals	1	11½	12⅜
Jervis Corp	1	4½	5⅛
Jessop Steel Co	1	16¾	18⅜
Kaiser Steel Corp common	1	56¼	59¾
$1.46 preferred	*	24¾	26⅜
Kalamazoo Veg Parchment Co	10	42	45⅛
Kansas-Nebraska Natural Gas	5	41	43½
Kearney & Trecker Corp	3	10⅞	11¾
Kellogg Co	50c	39¾	42¼
Kendall Co	16	49¼	52¾
Kennametal Inc	10	25¾	28
Kentucky Utilities Co	10	35⅜	37⅝
Ketchum Co Inc	1	x11¼	12¼
Keystone Portland Cem Co	3	41¼	44¼
Koehring Co	5	17	18⅛
Landers Frary & Clark	25	20	21½
Lanolin Plus	1c	7⅛	7¾
Lau Blower Co	1	6⅝	7⅜
Liberty Loan Corp	1	51	55½
Lilly (Eli) & Co Inc com cl B	5	75½	79¼
Ling Electronics	50c	18	19¼
Lone Star Steel Co	1	33¼	35⅝
Lucky Stores Inc	1¼	27⅝	29⅜
Ludlow Mfg & Sales Co	*	27½	29⅝
Macmillan Co	1	35⅛	38¼
Madison Gas & Electric Co	16	49½	53
Maremont Auto Prods Inc	1	22½	24⅝
Marlin-Rockwell Corp	1	19⅝	21
Marmon Herrington Co Inc	1	14½	16¼
Marquardt Aircraft	1	54	58
Maryland Shipbldg & Dry Co	50c	34½	37¼
Maxson (W L) Corp	3	14¼	15¼
McLean Industries	1c	5½	6
McLouth Steel Corp	2½	65¼	68¾
McNeil Machine & Eng	5	36	38¾
Meredith Publishing Co	5	35½	38¼
Metropolitan Broadcasting	1	14¼	15⅜
Michigan Gas Utilities Co	5	21½	23⅝
Miehle-Gross-Dexter Inc— Class A common	7½	27¼	29⅜
Miles Laboratories Inc	2	54½	58
Minneapolis Gas Co	1	33¼	35⅝
Mississippi Shipping Co	5	16¼	17½
Miss Valley Barge Line Co	1	17½	18⅞
Mississippi Valley Gas Co	5	26⅝	28⅜
Missouri-Kansas Pipe Line Co	5	114½	—
Missouri Utilities Co	1	27	29⅜
Mountain Fuel Supply Co	10	28	29¾
National Aluminate Corp	2½	46	50⅜
National Gas & Oil Corp	5	25⅛	26⅞
National Homes Corp A com	50c	37¼	40⅛
Class B common	50c	34¾	37½
National Shirt Shops of Del	1	11⅞	12⅞
New Eng Gas & Elec Assoc	8	22⅛	23⅝
Nicholson File Co	*	18¾	20⅛
Norris Thermador Corp	50c	16	17⅛
Nortex Oil & Gas Corp	1	5¾	6⅜
North American Coal	1	12⅜	13¾
North Penn Gas Co	5	12½	13⅝
Northeastern Water Co $4 pfd	*	76½	81¼
Northwest Natural Gas	19	17⅝	19
Northwest Production Corp	1	x3¼	3¾
Northwestern Pub Serv Co	3	22¼	23⅝
Oklahoma Miss River Prod	10c	5⅝	6⅛
Old Ben Coal Corp	*	14⅞	16⅞
Opelika Manufacturing Corp	5	14¾	16
Otter Tail Power Co	5	33	35½
Pabst Brewing Co	*	12⅞	13¾
Pacific Airmotive Corp	1	4¾	5½
Pacific Far East Line	5	12½	13⅝
Pacific Gamble Robinson Co	5	20¼	22
Pacific Mercury Electronics	90c	10	10⅞
Pacific Power & Light Co	6½	41⅜	43⅞
Pacific Uranium Mines	10c	5⅞	6½
Pan American Sulphur Co	70c	23¾	25¼
Parker Hannifin Corp	1	45	49¼
Pendleton Tool Indus	1	18½	20⅜
Pepsi-Cola General Bottlers	1	12	13
Permanente Cement	1	25½	27¼
Pfaudler-Permutit	10	32	34⅜
Pickering Lumber Corp	3¾	12⅜	13⅜
Pioneer Natural Gas Co	*	33¼	35⅜
Plymouth Rubber Co	2	7⅜	8⅛
Portland General Electric Co	7½	29⅛	30⅞
Portsmouth Steel	1	19½	21
Potash Co of America	5	35½	38¼
Producing Properties Inc	10c	7⅜	8
Pubco Petroleum	1	9¾	10½
Pub Serv Co of New Hamp	5	19¾	21¼
Pub Serv Co of New Mexico	5	28¼	30⅛
Punta Alegre Sugar Corp	1	16¼	17½
Purex Corp Ltd	1	49½	52¾
Purolator Products	1	33	35⅞

	Par	Bid	Ask
Ralston Purina Co	5	49	53½
Rare Metals Corp of America	1	4	4½
Reeves Soundcraft Corp	5c	6⅝	7¼
Republic Natural Gas Co	2	31½	33¾
Richardson Co	12½	13¾	15⅛
Riley Stoker Corp	3	42½	45⅛
River Brand Rice Mills Inc	3½	23¼	25⅛
Roadway Express class A	25c	12	13⅛
Robbins & Myers Inc	*	48	53½
Robertson (H H) Co	1	73½	77¾
Rochester Telephone Corp	10	25½	27⅛
Rockwell Manufacturing Co	2½	35¾	38¼
Roddis Plywood Corp	1	14¼	15⅝
Rose Marie Reid	1	12½	13½
Ryder System Inc	*	39⅞	42⅜
Sabre-Pinon Corp	20c	9¾	10½
San Jacinto Petroleum	1	28½	30⅜
Schield Bantam Co	5	8⅜	9¼
Searle (G D) & Co	2	51¾	55¼
Seismograph Service Corp	1	11¼	12⅞
Sierra Pacific Power Co	7½	35	37¾
Skil Corp	2	29¾	32¼
South Shore Oil & Devel Co	10c	17⅜	18¾
Southeastern Pub Serv Co	10c	14	14⅞
Southern Calif Water Co	5	19½	21
Southern Colorado Power Co	*	21	22½
Southern Nevada Power Co	1	26¾	28⅜
Southern New Eng Tele Co	25	44¼	46⅞
Southern Union Gas Co	1	28¼	30⅛
Southwest Gas Producing Co	1	11¾	13⅛
Southwestern Elec Svc Co	1	18	19⅞
Southwestern States Tele Co	1	25⅜	27
Speer Carbon Co	2½	29¾	32
Sprague Electric Co	2½	41	44
Staley (A E) Mfg Co	10	37½	40⅜
Stand Fruit & Steamship	2.50	13½	14⅝
Standard Pressed Steel	1	29⅞	31⅞
Standard Register	1	41½	44⅝
Stanley Home Products Inc— Common non-voting	5	40	—
Stanley Works	25	43½	46⅜
Statler Hotels Delaware Corp	1	9	9⅞
Stepan Chemical Co	1	25½	27¾
Stouffer Corp	1.25	25½	27¾
Strong Cobb & Co Inc	1	5½	6⅛
Struthers Wells Corp	2½	20¾	22¾
Stubnitz Greene Corp	1	9⅞	10¾
Suburban Gas Service Inc	1	23½	25⅜
Suburban Propane Gas Corp	1	18⅜	19⅝
Suntide Refining Co	1c	6⅞	7⅝
Syntex Corporation	*	17⅝	18⅞

	Par	Bid	Ask
Tampax Inc	1	74	78¾
Tappan Stove Co	5	57	60½
Tekoil Corp	1	6⅝	7¼
Texas Eastern Transmis Corp	7	35⅛	37¼
Texas Gas Transmission Corp	5	33⅞	35⅝
Texas Ill Nat Gas Pipeline Co	1	25½	27⅛
Texas Industries Inc	1	9⅜	10⅝
Texas National Petroleum	1	5⅜	5⅞
Texas Natural Gasoline Corp	1	52	55½
Thermo King Corp	1	15⅞	17⅛
Three States Nat Gas Co	1	5½	6
Time Inc	1	72	75¾
Tokheim Corp	*	21	23⅜
Topp Industries Inc	1	14¾	15⅞
Towmotor Corp	1	27½	29⅝
Tracerlab Inc	1	10¼	11½
Trans Gas Pipe Line Corp	50c	24¼	25¾
Tucson Gas Elec Lt & Pwr Co	5	29	31⅛
United States Sugar Corp	1	33½	36⅛
United States Truck Lines Inc	1	18½	20⅛
United Utilities Inc	10	30	32
United Western Minerals	10c	2⅞	3⅜
Universal Match Corp	12½	54	57½
Upper Peninsular Power Co	9	32¼	34⅜
Utah Southern Oil Co	2½	13½	15⅛
Valley Mould & Iron Corp	5	48¾	52⅛
Vanity Fair Mills Inc	5	22½	24⅜
Varian Associates	1	43¼	46⅜
Vitro Corp of Amer	50c	15⅞	17
Warner & Swasey Co	1	26	27¾
Warren Brothers Co	5	53	57
Warren (S D) Co	*	46¾	50⅛
Washington Natural Gas Co	10	16¾	18
Washington Steel Corp	1	28½	30⅝
Watson Bros Transport "A"	1	7⅛	7⅞
Westcoast Transmission	*	20¾	22¼
West Point Manufacturing Co	*	17¼	18⅝
Western Lt & Telephone Co	10	41½	44⅝
Western Massachusetts Cos	1	53½	56½
Western Natural Gas Co	1	21⅞	23¼
Weyerhaeuser Timber	7.50	44¾	47½
White Eagle Oil Co	10c	8½	9¼
Whiting Corp	5	12¾	13⅞
Williams Bros	1	16⅛	17⅜
Wisconsin Power & Light Co	10	33⅜	35⅜
Witco Chemical	5	32⅝	34¾
Wood Conversion Co	5	17	—
Wurlitzer Company	10	9¾	10⅝
Wyandotte Chemicals Corp	1	54	58½
Yuba Consolidated Industries	1	16⅜	17⅝
Zapata Off-Shore Co	50c	8¾	9¾

Bank and Trust Companies

	Par	Bid	Ask
American Trust Co (S F)	10	53	56
Bank of America N T & S A (San Francisco)	6¼	43½	46
Bank of Commerce (Newark)	25	42½	46⅛
Bank of New York	100	249	260
Bank of Virginia	10	23⅞	25¾
Bankers Trust Co (N Y)	16	77	80⅛
Boatmen's Natl Bank St Louis	20	68½	72
Broad St Trust Co (Phila)	10	44	47¼
Camden Trust Co (N J)	5	27¾	30⅛
Central Natl Bank of Cleve	16	41¾	44⅝
Centl-Penn Natl Bk of Phila	10	44¼	47¼
Chase Manhattan Bk (NY)	12½	60½	63⅜
Chem Corn Exch Bk (N Y)	10	61½	64⅜
Citizens & Southern National Bank (Savannah)	10	50	—
City Natl Bk & Tr (Chicago	25	80	84¾
Cleveland Trust Co	50	302	321
Commercial Bk of No. Amer	5	26½	29⅜
Commercial Trust of N J	25	92	98
Connecticut Bank & Tr Co	12½	40¾	43½
Continental Ill Bank & Trust Co (Chicago)	33⅓	112½	116¼
County Trust Co (White Plains N Y)	5	33½	35⅞
Crocker-Anglo Nat Bk (S F)	10	35	37½
Empire Trust Co (N Y)	50	220	237
Federation Bk & Tr Co (NY)	10	33	35⅝
Fidelity-Balt Nat Bk & Tr Co	10	50	—
Fidelity-Phila Trust Co	20	92	97
Fidelity Trust Co (Pgh)	10	88	95
Fidelity Un Tr Co (Newark)	10	72	76¼
Fiduciary Trust Co (N Y)	10	31	34⅝
First Bk Stk Corp (Minn)	10	46	48¾
First Camden Natl Bk & Tr Co (Camden N J)	6¼	24½	26¾
First Natl Bk (Atlanta)	10	40	—
First Natl Bank Baltimore	10	60¼	63¾
First Natl Bank of Boston	12½	85¾	89¼
First Natl Bk of Chicago	100	346	361
First Natl Bank of Dallas	10	37¼	40⅛
First Natl Bk (Jersey City)	25	68	—
First Natl Bank Trust Co of Patterson	25	68	72½
First Natl Bk of St Louis	20	72	—
First Natl City Bank (N Y)	20	76⅜	79½
First Pennsylvania Banking & Trust Co (Phila)	10	49¾	52¾
First Westchester Natl Bank of New Rochelle	10	36	39⅞
Franklin Natl Bank of Long Island N Y	5	32¾	34⅞
Girard Trust Corn Exch Bk	15	56½	60
Guaranty Trust Co (N Y)	20	93⅞	97⅜
Hanover Bank of New York	10	51⅝	54½
Harris Tr & Sav Bk (Chic)	20	94	101
Hartford Natl Bk & Tr Co	10	38¼	40⅞
Hudson County Natl Bank (Jersey City N J)	25	58	63½
Hudson Tr Co (Union City)	8	16½	18

	Par	Bid	Ask
Industrial Bk of Com (N Y)	10	38	41⅝
Industrial Natl Bank of Providence R I	10	48½	51⅞
Industrial Trust Co (Phila)	5	20⅛	22¼
Irving Trust Co (N Y)	10	39¼	41½
Kings County Trust Co (Brooklyn N Y)	20	95	102
Liberty Real Estate Bk & Tr Co (Phila)	10	33½	36⅛
Long Island Trust Co (N Y)	10	43	47¼
Manufacturers Tr Co (N Y)	10	54⅝	57½
Manufacturers & Traders Trust (Buffalo)	5	27⅜	29¼
Meadow Brook Natl Bank of Nassau County N Y	5	28½	30⅝
Mellon Natl Bk & Tr Co (Pgh)	25	174	184
Mercantile Tr Co (St Louis)	25	69	72½
Merchants Natl Bk of Boston	10	48	—
Morgan (J P) & Co (N Y)	100	385	401
National Bank of Detroit	10	58¾	62
National Bank of Westchester	5	25¾	27½
National City Bank (Cleve)	16	71	75¾
National Commerce Bank & Trust (Albany N Y)	7.50	28½	—
Natl Newark & Essex Banking Co (N J)	25	62½	67
Natl Shawmut Bk of Boston	12½	49¼	52½
Natl State Bk of Newark	12½	54½	59
New Eng Trust Co (Boston)	100	38½	—
New Jersey Bank & Trust Co	11	31½	34⅝
New York Trust Co (N Y)	25	87½	90¾
Northern Tr Co (Chicago)	100	535	571
Peoples First Natl Bk & Tr Co (Pittsburgh)	20	61¾	65¼
Peoples Tr Co of Bergen City (Hackensack N J)	5	20½	22½
Philadelphia Natl Bank	10	45	47⅝
Provident Tradesmen's Bank & Trust (Phila)	20	55½	59
Republic Natl Bank (Dallas)	12	69¼	73
Riggs Natl Bk of Wash D C	25	153	168
Rockland-Atlas Natl Bank of Boston	10	43	47¼
Royal Bank of Canada	10	80¼	84
Royal State Bk of New York	5	19½	21½
Rye National Bank (N Y)	2	9¼	10⅝
St Louis Union Trust Co	20	79	83¾
Seattle 1st Natl Bk (Wash)	20	96	101
Second Bank-State Street Trust (Boston Mass)	20	82	—
Second Natl Bank of Phila	10	30	35⅝
Security First Natl Bank (Los Angeles)	12½	54	57½
Security Natl Long Island N Y	5	23⅝	25¼
State Bank of Albany	10	43	47¼
Sterling Natl Bk & Tr Co (New York)	25	43	45⅝
Trade Bk & Tr Co (N Y)	10	25	27
Trust Co of New Jersey	2½	10⅝	11⅞
Union Bank of Commerce— (Cleveland)	10	45¾	49
Union Tr Co of Maryland	10	50	—
United States Trust Co— (Boston)	10	29½	32½
United States Trust (N Y)	20	83¾	87
Valley Nat Bk (Phoenix Ariz)	5	49¾	53¼

For footnotes see preceding page.

NATIONAL LIST OF OVER-THE-COUNTER SECURITIES

Quotations for Friday, February 6

Mutual Funds

Mutual Funds—	Par	Bid	Ask
Aberdeen Fund	25c	1.91	2.11
Affiliated Fund Inc	1.25	7.20	7.79
American Business Shares	1	4.30	4.59
American Mutual Fund Inc	1	8.85	9.67
Amer Research & Development	*	38¼	40½
Associated Fund Trust	*	1.61	1.77
Atomic Devel Mut Fund Inc	1	5.48	5.99
Axe-Houghton Fund "A" Inc	1	x5.66	6.15
Axe-Houghton Fund "B" Inc	5	8.46	9.20
Axe-Houghton Stock Fund Inc	1	4.29	4.69
Axe-Science & Elect'nics Corp	1c	12.03	13.08
Axe-Templeton Growth Fund Canada Ltd	1	30.34	33.16
Blue Ridge Mutual Fund Inc	1	12.04	13.09
Bond Inv Tr of America	*	20.73	22.29
Boston Fund Inc	1	17.05	18.43
Broad Street Investment	1	25.38	27.44
Bullock Fund Ltd	1	x13.38	14.66
California Fund Inc	1	7.89	8.62
Canada General Fund— (1954) Ltd	1	14.99	16.21
Canadian Fund Inc	1	x18.83	20.37
Canadian International Growth Fund Ltd	1	8.71	9.52
Century Shares Trust	1	27.82	30.08
Chase Fund of Boston	1	10.92	11.93
Chemical Fund Inc	50c	19.40	20.98
Christiana Securities Corp	100	14,300	14,800
7% preferred	100	133	139
Colonial Fund Inc	1	10.73	11.65
Commonwealth Income Fund Inc	1	9.62	10.47
Commonwealth Investment	1	9.67	10.51
Commonwealth Stock Fund	1	14.60	15.87
Composite Bond & Stock Fund Inc	1	18.80	20.43
Composite Fund Inc	1	16.21	17.62
Concord Fund Inc	1	15.83	17.11
Consolidated Investment Trust	1	19¼	20¾
Crown Western Investment Inc Dividend Income Fund	1	7.13	7.80
De Vegh Investing Co Inc	1	17.34	17.52
De Vegh Mutual Fund Inc	1	79	83¾
Delaware Fund	1	11.90	13.08
Delaware Income Fund Inc	1	10.18	11.19
Diver Growth Stk Fund Inc	1	8.09	8.87
Diversified Investment Fund	1	9.12	9.99
Diversified Trustee Shares— Series E	2.50	19.75	22.30
Dividend Shares	25c	3.01	3.30
Dreyfus Fund Inc	1	12.41	13.49
Eaton & Howard—			
Balanced Fund	1	23.28	24.89
Stock Fund	1	23.43	25.05
Electronics Investment Corp	1	6.53	7.14
Energy Fund Inc	10	x18.72	18.91
Equity Fund Inc	20c	7.66	7.94
Fidelity Fund Inc	5	15.66	16.93
Fiduciary Mutual Inv Co Inc	1	17.25	18.65
Financial Industrial Fund Inc	1	4.11	4.50
Florida Growth Fund Inc	10c	5.54	6.05
Florida Mutual Fund Inc	1	2.72	2.97
Founders Mutual Fund	*	9.83	10.68
Franklin Custodian Funds Inc—			
Common stock series	1c	11.17	12.26
Preferred stock series	1c	5.99	6.61
Fundamental Investors Inc	2	18.14	19.88
Futures Inc	1	3.15	3.45
Gas Industries Fund Inc	1	14.60	15.96
General Capital Corp	1	15.04	16.28
General Investors Trust	1	7.24	7.87
Group Securities—			
Automobile shares	1c	8.37	9.17
Aviation shares	1c	11.02	12.07
Building shares	1c	7.58	8.31
Capital Growth Fund	1c	8.09	8.87
Chemical shares	1c	12.82	14.04
Common (The) Stock Fund	1c	13.39	14.66
Electronics & Electrical Equipment shares	1c	9.36	10.26
Food shares	1c	8.16	8.94
Fully Administered shares	1c	10.50	11.50
General Bond shares	1c	7.44	8.16
Industrial Machinery shares	1c	8.12	8.90
Institutional Bond shares	1c	8.11	8.45
Merchandising shares	1c	12.80	14.01
Mining shares	1c	7.01	7.69
Petroleum shares	1c	11.89	13.02
Railroad Bond shares	1c	2.36	2.61
RR Equipment shares	1c	6.03	6.62
Railroad Stock shares	1c	10.37	11.36
Steel shares	1c	10.28	11.26
Tobacco shares	1c	7.90	8.66
Utilities	1c	11.53	12.53
Growth Industry Shares Inc	1	17.26	17.78
Guardian Mutual Fund Inc	1	19.26	19.85
Hamilton Funds Inc—			
Series H-C7	10c	4.91	5.37
Series H-DA	10c	4.87	--
Haydock Fund Inc	1	a26.03	--
Income Foundation Fund Inc	10c	2.51	2.75
Income Fund of Boston Inc	1	8.55	9.34
Incorporated Income Fund	1	9.53	10.42
Incorporated Investors	1	8.97	9.70
Institutional Shares Ltd—			
Institutional Bank Fund	1c	12.37	13.53
Inst Foundation Fund	1c	10.88	11.90
Institutional Growth Fund	1c	10.97	12.00
Institutional Income Fund	1c	6.99	7.65
Institutional Insur Fund	1c	13.40	14.66

Mutual Funds—	Par	Bid	Ask
Intl Resources Fund Inc	1c	4.23	4.62
Investment Co of America	1	10.19	11.14
Investment Trust of Boston	1	11.30	12.35
Istel Fund Inc	1	33.96	34.64
Johnston (The) Mutual Fund	1	a22.44	--
Keystone Custodian Funds—			
B-1 (Investment Bonds)	1	25.18	25.24
B-2 (Medium Grade Bonds)	1	22.92	25.01
B-3 (Low Priced Bonds)	1	16.40	17.89
B-4 (Discount Bonds)	1	10.47	11.43
K-1 (Income Pfd Stocks)	1	9.45	10.32
K-2 (Speculative Pfd Stks)	1	13.36	14.58
S-1 (High-Grade Com Stk)	1	18.29	19.96
S-2 (Income Com Stocks)	1	12.37	13.50
S-3 (Speculative Com Stk)	1	14.09	15.38
S-4 (Low Priced Com Stks)	1	11.63	12.70
Keystone Fund of Canada Ltd	1	12.90	13.95
Knickerbocker Fund	1	6.45	7.08
Knickerbocker Growth Fund	1	5.89	6.45
Lazard Fund Inc	1	16⅞	17¾
Lexington Trust Fund	25c	12	--
Lexington Venture Fund	1	18.73	20.47
Life Insurance Investors Inc	1	11.33	12.38
Life Insurance Stk Fund Inc	1	6.72	7.33
Loomis Sayles Mutual Fund	*	a45.70	--
Managed Funds—			
Electrical Equipment shares	1c	2.44	2.69
General Industries shares	1c	3.67	4.04
Metal shares	1c	2.73	3.01
Paper shares	1c	3.76	4.14
Petroleum shares	1c	2.66	2.93
Special Investment shares	1c	3.13	3.49
Transport shares	1c	2.53	2.79
Massachusetts Investors Trust shares of beneficial int	33⅓c	13.22	14.29
Mass Investors Growth Stock Fund Inc	33⅓c	12.85	13.89
Massachusetts Life Fund— Units of beneficial interest	1	21.29	23.02
Missiles-Jets & Automation Fund Inc	1	10.97	11.99
Muutal Income Foundation Fd	1	15.67	16.94
Mutual Investment Fund Inc	1	9.93	10.90
Mutual Shares Corp	1	a14.64	--
Mutual Trust Shares of beneficial interest	1	3.34	3.63
Nation Wide Securities Co Inc	1	20.49	22.17
National Investors Corp	1	11.90	12.86
National Security Series—			
Balanced Series	1	11.18	12.22
Bond Series	1	6.16	6.73
Dividend Series	1	4.29	4.69
Preferred Stock Series	1	8.34	9.11
Income Series	1	6.40	6.99
Stock Series	1	8.73	9.54
Growth Stock Series	1	7.26	7.93
New England Fund	1	21.60	23.15
New York Capital Fund of Canada Ltd	1	37	39⅞
Nucleonics Chemistry & Electronics Shares Inc	1	11.74	12.83
One William Street Fund	1	12.89	13.94
Over-the-Counter Securities Fund Inc	1	4.68	5.12
Peoples Securities Corp	1	14.81	16.23
Philadelphia Fund Inc	*	9.94	10.84
Pine Street Fund Inc	1	24.70	24.95
Pioneer Fund Inc	2.50	16.83	18.29
Price (T Rowe) Growth Stock Fund Inc	1	35.99	36.35
Puritan Fund Inc	1	7.64	8.26
Putnam (Geo) Fund	1	13.70	14.89
Putnam Growth Fund	1	14.86	16.15
Quarterly Dist Shares Inc	1	7.38	8.02
Scudder Fund of Canada	25c	12.90	13.95
Scudder Stevens & Clark Fund Inc	*	a38.72	--
Scudder Stevens & Clark— Common Stock Fund	1	a27.69	--
Selected Amer Shares	1.25	9.52	10.30
Shareholders Trust of Boston	1	11.19	12.23
Smith (Edison B) Fund	1	15.37	16.84
Southwestern Investors Inc	1	13.49	14.58
Sovereign Investors	1	14.04	15.37
State Street Investment Corp	*	37½	40
Stein Roe & Farnum Fund	1	a34.96	--
Sterling Investment Fund Inc	1	12.26	12.97
Television-Electronics Fund	1	13.74	14.98
Texas Fund Inc	1	9.70	10.60
United Funds Inc—			
United Accumulated Fund	1	11.78	12.80
United Continental Fund	1	7.75	8.47
United Income Fund Shares	1	10.85	11.79
United Science Fund	1	12.25	13.39
United Funds Canada Ltd	1	16.77	18.23
Value Line Fund Inc	1	6.80	7.43
Value Line Income Fund Inc	1	5.79	6.33
Value Line Special Situations Fund Inc	10c	3.53	3.86
Wall Street Investing Corp	1	8.10	8.85
Washington Mutual Investors Fund Inc	1	10.07	11.01
Wellington Equity Fund		11.29	12.27
Wellington Fund	1	13.81	15.05
Whitehall Fund Inc	1	12.74	13.77
Wisconsin Fund Inc	1	5.80	6.27

Recent Security Issues

Bonds—		Bid	Ask
Barium Steel 5½s	1969	88½	90½
British Petroleum 6s	1980-76	58½	60
Burlington Industries 4¼s	1975	93½	95
C I T Financial 4⅜s	1989	100	100⅜
Canadian Pacific Ry 4s	1969	101¾	103¼
Carrier Corp 4½s	1982	105	106¼
Cent Illinois Pub Serv 4¾s	1989	102⅝	103
Chance Vought 5¼s	1977	107	108½
Commonwealth Edison 4⅝s	2009	100⅝	100⅞
Commonwealth Oil Ref 6s	1972	156	160
El Paso Natural Gas 5¼s	1977	120½	122
Ferro Corp 3⅝s	1975	96	100
Fruehauf Trailer 4s	1976	95	96½
3⅝s	1975	117	--
General Port Cement 5s	1977	136	140
Gen'l Tire & Rubber 6s ww	1982	167	172
Household Finance 4⅝s	1984	101¼	101¾
Inland Steel 4½s	1989	101¼	101⅝
Lowenstein (M) & Sons— 4⅝s	1981	83	85
Mueller Brass 3⅝s	1975	94	98

Bonds—		Bid	Ask
National Can 5s	1976	113	116
N Span Uranium 5¾s ww	1963	84½	87
Pacific Petroleum 5s	1977	116	119
5½s	1973	106¼	107¼
Pacific Tel & Tel 4⅝s	1990	100¾	101
Puget Sound Pow & Lgt— 5¼s	1983	105¼	106¼
Quebec Natural Gas 5¾s	1985	97	100½
San Diego Gas & Elec 4⅜s	1984	100½	100⅞
Sheraton Co of Am 5s ww	1967	114	119
Southern Bell Tel 4⅝s	1993	102¾	103
Southern Natural Gas 4¾s	1979	101⅜	101¾
Sperry Rand 5½s ww	1982	123	125
Textron Amer 5s	1971	94	95
Trans Canada Pipe Line— 5.60s	1987	99½	100½
Transcont Gas Pipe Line 5s	1979	100¾	101
Underwood Corp 5½s	1971	112½	115
U S Industries 4½s	1970	92	96
Washington Wtr Pwr 4¾s	1989	101⅝	102
Westcoast Trans 5½s	1988	102	105

Insurance Companies

	Par	Bid	Ask
Aetna Casualty & Surety	10	190	199
Aetna Insurance Co	10	78	81¾
Aetna Life	10	246	256
Agricultural Insurance Co	10	37¼	39⅞
American Equitable Assur	5	38½	41⅜
American Fidelity & Casualty	5	18	19⅝
$1.25 conv preferred	5	22½	24⅝
Amer Heritage Life Ins— (Jacksonville Fla)	1	11¾	12⅞
American Home Assurance Co	5	34	37¾
Amer Ins Co (Newark N J)	2½	31	32⅞
American Investors Corp	1	5	5½
Amer Mercury (Wash D C)	1	3⅞	4½
Amer Nat Ins (Galveston)	1	11⅜	12⅜
American Re-insurance	5	36¾	39⅜
American Surety Co	6.25	20½	22¼
Bankers & Shippers	10	64	--
Bankers Natl Life Ins (N J)	10	26½	28⅞
Beneficial Stan Life Ins Co	1	15¾	17
Boston Insurance Co	5	35½	38
Commonwealth Life Ins Co (Ky)	2	27⅜	29¼
Connecticut General Life	10	332	347
Continental Assurance Co	5	177	186
Continental Casualty Co	5	114	118
Crum & Forster Inc	10	72	76¼
Eagle Fire Ins Co (N J)	1.25	3⅜	4⅛
Employers Group Assoc	*	77	81¾
Employers Reinsurance Corp	5	48¾	52⅛
Federal	4	60	63½
Fidelity & Deposit of Md	10	100	106
Fireman's Fund (S F)	2.50	61¾	65
Franklin Life Insurance	4	82¼	85¾
General Reinsurance Corp	10	71½	75¾
Glens Falls	5	38¾	41⅛
Globe & Republic	5	21¼	23
Government Employees Ins (D C)	4	117	125
Government Employees Life Ins (D C)	1.50	142	157
Great American	5	43⅝	46¼
Gulf Life (Jacksonville Fla)	2½	25¾	27½
Hanover Insurance Co	10	43¼	46⅛
Hartford Fire Insurance Co	10	197	205
Hartford Steam Boiler Inspection and Insurance Co	10	116	--
Home	5	51½	54½
Home Owners Life Ins Co (Fla)	1	6¾	7⅝
Jefferson Standard Life Ins	10	85	89¾
Jersey Insurance Co of N Y	10	39½	43

	Par	Bid	Ask
Lawyers Mtge & Title Co	65c	2⅞	3⅜
Lawyers Title Ins Corp (Va)	5	19½	21
Liberty Natl Life Ins (Birm)	2	49½	52¾
Life & Casualty Ins Co of Tenn	3	22¼	23⅞
Life Companies Inc	1	21¾	23⅝
Life Insurance Co of Va	10	55	59
Lincoln National Life	10	221	233
Loyal Amer Life Ins Co Inc	1	4½	5
Maryland Casualty	1	42⅜	45
Massachusetts Bonding	5	36½	39⅜
Mass Indemnity & Life Ins	5	48	53½
Merchants Fire Assurance	5	73	--
Merchants & Manufacturers	4	13½	14⅞
Monument Life (Balt)	10	66	70½
National Fire	10	117	123
Natl Life & Accident Ins	10	108	113
National Union Fire	5	42¼	45⅛
Nationwide Corp class A	5	20½	22
New Amsterdam Casualty	2	51	54¼
New Hampshire Fire	10	47	50⅞
New York Fire	5	34	36⅜
North River	2.50	43	46⅝
Northeastern	3.33⅓	13¾	15⅛
Northern Ins Co of N Y	12½	48¼	51⅜
Northwestern National Life Insurance (Minn)	10	95	103
Pacific Indemnity Co	10	68½	72½
Pacific Insurance Co of N Y	10	64	68½
Peerless Insurance Co	5	23¾	25⅝
Phila Life Insurance Co	5	80½	84¾
Phoenix	10	78¾	82¼
Providence-Washington	10	22½	24⅛
Pyramid Life Ins Co (N C)	1	6	6¾
Quaker City Life Ins (Pa)	5	46¾	49⅞
Reinsurance Corp (N Y)	2	17¼	19⅛
Republic Insurance (Texas)	10	69	--
Republic Natl Life Insurance	2	74	78¾
St Paul Fire & Marine	6.25	60⅞	63⅞
Seaboard Surety Co	10	90	97
Security (New Haven)	10	34	36¾
Springfield Fire & Marine	2	35⅞	37⅛
$6.50 preferred	10	106	111
Standard Accident	10	60¼	63¾
Title Guar & Trust (N Y)	8	24¾	26¾
Travelers	5	91	94¾
U S Fidelity & Guaranty Co	10	85½	90¼
U S Fire	3	31¼	33¼
U S Life Insurance Co in the City of N Y	2	43½	46⅝
Westchester Fire	2	33	35⅛

Obligations of Government Agencies

Figures after decimal point represent one or more 32nds of a point

	Bid	Ask
Federal Home Loan Banks—		
1.60s Feb. 16, 1959	99.29	100
3¼s March 16, 1959	99.30	100.2
3½s April 15, 1959	100	100.4
3⅛s April 15, 1963	97.16	98
3⅝s Aug 17, 1959 wi	99.31	100.1
Federal Natl Mortgage Assn—		
3s Feb. 10, 1959	99.31	100.1
1.65s April 10, 1959	99.20	99.24
2s June 10, 1959	99.16	99.20
3⅞s Aug. 10, 1959	100.2	100.6
3¾s Oct. 13, 1951 wi	100	100.4
4s June 10, 1960 wi	100	100.4
3⅝s Aug. 23, 1960	99.8	99.16
3½s Feb. 13, 1962	97.24	98
3¼s March 11, 1963	96.6	96.14
4⅛s Nov. 12, 1963	99.30	100 6
4⅜s June 10, 1965	100.8	100.24
3⅝s March 11, 1968	94½	95
Central Bank for Cooperatives—		
1.70s March 2, 1959	99.26	99.30
2.85s April 1, 1959	99.26	100
3.50s June 1, 1959	100	100.4

	Bid	Ask
Federal Land Bank Bonds—		
2¼s May 1, 1959	99.22	99.26
3½s May 1, 1959	100	100.4
1¾s Oct. 20, 1959	98.28	99.4
2¼s Feb. 1, 1960	98.24	99
3¾s Feb 1, 1960 wi	99.30	100.2
2½s June 1, 1960	98.14	98.22
3⅜s April 3, 1961	98¼	98¾
4s Sept. 20, 1961	99.20	100.4
4s May 1, 1962	99⅝	100.4
2¾s May 1, 1963	94	94.16
3¼s May 2, 1966	94	94½
4⅜s March 20, 1969	100.20	101.4
4⅝s July 15, 1969	102	103
3½s April 1, 1970	92½	93½
4½s Oct. 1, 1970-1967	100½	101½
3½s May 1, 1971	92¼	93¼
4⅛s Feb. 15, 1972-1967	98	99
3⅞s Sept. 15, 1972	95½	96½

U. S. Certificates of Indebtedness & Notes

Figures after decimal point represent one or more 32nds of a point

Maturity—	Bid	Ask
Certificates of Indebtedness—		
1½s March 24, 1959	99.26	99.28
1¼s May 15, 1959	99.18	99.20
1⅝s Aug. 1, 1959	99.9	99.11
3⅜s Nov. 15, 1959	99.31	100.1
3¾s Feb 15, 1960 wi	100	100.2
Treasury Notes—		
1½s April 1, 1959	99.20	99.26
1½s Oct. 1, 1959	99	99.8
3½s Nov. 15, 1959	100.1	100.4
1½s April 1, 1960	98	98.8
3½s May 15, 1960	99.26	99.28
3¼s May 15, 1960	99.13	99.18

Maturity—	Bid	Ask
Treasury Notes (Continued)—		
1½s Oct. 1, 1960	97	97.8
1½s April 1, 1961	95.30	96.6
3⅝s May 15, 1961	99.14	99.18
4s Aug. 1, 1961	100.12	100.16
1½s Oct. 1, 1961	94.28	95.4
3⅝s Feb. 15, 1962	99.4	99.8
4s Feb 15 1962 wi	93.8	93.16
1½s April 1, 1962	100.16	100.20
4s Aug. 15, 1962	100.1	100.3
1½s Oct. 1, 1962	99.12	99.20
3¾s Nov. 15, 1962	99.6	99.10
2⅝s Feb. 15, 1963	94.28	95
1½s April 1, 1963	91.16	91.24
1½s Oct. 1, 1963	90.12	90.20

Federal Intermediate Credit Bank Debentures

Rate	Dated	Due	Bid	Ask
1.60%	6- 2-58	3- 2-59	99.26	99.30
1⅜ %	7- 1-58	4- 1-59	99.20	99.24
2.00%	8- 1-58	5- 4-59	99.20	99.24
2.30%	9- 2-58	6- 1-59	99.20	99.24
3.25%	10- 1-58	7- 1-59	99.28	100

Rate	Dated	Due	Bid	Ask
3.60%	11- 3-58	8- 3-59	99.31	100.3
3.50%	12- 1-58	9- 1-59	99.30	100.2
3.45%	1- 5-59	10- 1-59	99.29	100
3.45%	2- 2-59	11- 2-59	99.28	100

United States Treasury Bills

	Yield Price Bid	Yield Price Ask
February 13, 1959	99.972	99.976
February 19, 1959	99.932	99.939
February 26, 1959	99.884	99.896
March 5, 1959	99.840	99.853
March 12, 1959	99.793	99.811
March 19, 1959	99.747	99.763
March 26, 1959	99.688	99.713
April 2, 1959	99.632	99.646
April 9, 1959	99.566	99.590
April 16, 1959	99.514	99.542
April 23, 1959	99.463	99.493
April 30, 1959	99.411	99.444

	Yield Price Bid	Yield Price Ask
May 7, 1959	99.360	99.396
May 15, 1959	99.282	99.319
June 11, 1959	99.051	99.085
June 18, 1959	98.943	98.979
June 22, 1959	98.892	98.929
June 25, 1959	98.874	98.912
July 2, 1959	98.800	98.840
July 9, 1959	98.742	98.783
July 16, 1959	98.674	98.718
July 23, 1959	98.597	98.642
July 30, 1959	98.537	98.585
August 6, 1959	98.477	98.507

FOOTNOTES FOR OVER-THE-COUNTER ISSUES

*No par value
a Net asset value.
k Admitted to listing on the New York Stock Exchange
b Bid yield price
d Ex-rights.
t New stock.
x Ex-dividend.
wi When issued.
y Ex-stock dividend.

THE COURSE OF BANK CLEARINGS

Bank clearings this week will show an increase compared with a year ago. Preliminary figures compiled by us based upon telegraphic advices from the chief cities of the country, indicate that for the week ended Saturday, Feb. 7, clearings for all cities of the United States for which it is possible to obtain weekly clearings will be 8.5% above those of the corresponding week last year. Our preliminary totals stand at $25,386,559,311 against $23,389,033,185 for the same week in 1958. At this center there is a gain for the week ending Friday, of 6.3%. Our comparative summary for the week follows:

CLEARINGS—RETURNS BY TELEGRAPH

Week Ended Feb. 7—	1959	1958	%
New York	$13,645,032,447	$12,831,635,428	+ 6.3
Chicago	1,197,344,524	1,076,430,631	+11.2
Philadelphia	1,068,000,000	942,000,000	+15.5
Boston	737,202,258	645,613,044	+14.2
Kansas City	462,490,451	412,487,726	+12.1
St. Louis	382,100,000	332,400,000	+15.0
San Francisco	719,047,000	647,300,152	+11.5
Pittsburgh	430,150,430	441,707,759	+ 4.2
Cleveland	545,511,279	515,314,726	+ 5.9
Baltimore	398,299,028	362,128,944	+10.0
Ten cities, five days	$19,635,177,417	$18,207,018,410	+ 7.8
Other cities, five days	4,842,818,245	4,318,345,645	+12.1
Total all cities, five days	$24,477,995,662	$22,525,364,055	+ 8.6
All cities, one day	908,563,649	863,669,130	+ 5.2
Total all cities for week	$25,386,559,311	$23,389,033,185	+ 8.5

Complete and exact details for the week covered by the foregoing will appear in our issue of next week. We cannot furnish them today, inasmuch as the week ends Saturday and the Saturday figures are not available at time of going to press. Accordingly, in the above the last day of the week in all cases has to be estimated.

In the elaborate detailed statement, however, which we present further below, we are able to give final and complete results of the previous week—the week ended Jan. 31. For that week there was an increase of 16.4%, the aggregate clearings for the whole country having amounted to $25,246,472,129 against $21,691,267,790 in the same week in 1958. Outside of this city there was a gain of 13.8%, the bank clearings at this center showing an increase of 18.8%. We group the cities according to the Federal Reserve Districts in which they are located and from this we note that in the New York Reserve District the totals show an expansion of 17.8%, in the Boston Reserve District of 4.6% and in the Philadelphia Reserve District of 12.8%. In the Cleveland Reserve District the totals are larger by 4.6%, in the Richmond Reserve District by 7.5% and in the Atlanta Reserve District by 7.8%. In the Chicago Reserve District the totals record an improvement of 7.0%, in the St. Louis Reserve District of 10.3% and in the Minneapolis Reserve District of 11.1%. In the Kansas City Reserve District the totals register a gain of 17.4%, in both the Dallas and San Francisco Reserve Districts of 12.5%.

In the following we furnish a summary by Federal Reserve Districts:

SUMMARY OF BANK CLEARINGS

Week Ended Jan. 31—		1959 $	1958 $	Inc. or Dec. %	1957 $	1956 $
1st Boston	12 cities	847,964,105	799,760,239	+ 6.0	820,757,358	784,001,455
2nd New York	9 "	13,707,622,242	11,634,557,285	+17.8	12,119,280,266	10,937,548,710
3rd Philadelphia	11 "	1,136,387,279	1,007,161,439	+12.8	1,275,419,213	1,275,264,860
4th Cleveland	7 "	1,392,525,585	1,331,190,695	+ 4.6	1,473,033,119	1,345,059,424
5th Richmond	6 "	733,716,038	682,658,251	+ 7.5	697,904,592	646,588,235
6th Atlanta	10 "	1,294,844,634	1,201,018,417	+ 7.8	1,153,886,323	1,103,423,648
7th Chicago	17 "	1,594,865,595	1,491,097,819	+ 7.0	1,515,514,805	1,439,164,837
8th St. Louis	4 "	720,657,428	653,250,898	+10.3	688,213,960	691,285,105
9th Minneapolis	7 "	624,193,629	562,009,750	+11.1	527,830,124	510,980,852
10th Kansas City	9 "	721,457,536	614,493,101	+17.4	572,590,741	575,497,269
11th Dallas	6 "	591,465,593	525,802,335	+12.5	498,793,478	463,165,995
12th San Francisco	10 "	1,336,210,985	1,188,267,561	+12.5	1,147,451,197	1,160,926,513
Total	108 cities	25,246,472,129	21,691,267,790	+16.4	22,490,675,176	20,932,906,903
Outside New York City		11,968,670,483	10,517,979,416	+13.8	10,860,348,408	10,423,335,777

We now add our detailed statement showing the figures for each city for the week ended January 31 for four years:

Clearings at—	1959 $	1958 $	Inc. or Dec. %	1957 $	1956 $
First Federal Reserve District—Boston—					
Maine—Bangor	4,133,414	3,175,373	+30.2	2,610,110	3,093,037
Portland	5,897,560	6,990,772	—15.6	6,937,215	6,789,104
Massachusetts—Boston	699,705,512	664,629,334	+ 5.3	672,099,716	637,066,603
Fall River	3,403,388	2,962,913	+14.9	3,246,080	3,361,375
Lowell	1,410,024	1,382,499	+ 2.0	1,664,761	1,361,476
New Bedford	3,112,448	3,153,355	— 1.3	3,433,433	3,202,263
Springfield	14,291,642	13,324,270	+ 7.3	13,820,073	14,069,406
Worcester	12,093,772	10,316,654	+17.2	12,887,008	10,562,415
Connecticut—Hartford	42,681,483	40,396,196	+ 5.7	47,557,415	45,150,534
New Haven	25,317,121	21,147,964	+19.7	24,559,365	26,835,108
Rhode Island—Providence	32,977,800	29,827,000	+10.6	29,523,100	29,840,000
New Hampshire—Manchester	2,939,941	2,453,909	+19.8	2,419,082	2,670,134
Total (12 cities)	847,964,105	799,760,239	+ 6.0	820,757,358	784,001,455
Second Federal Reserve District—New York—					
New York—Albany	47,097,887	71,407,571	—34.0	68,505,014	24,300,162
Buffalo	141,062,175	129,714,781	+ 8.8	142,837,799	128,054,384
Elmira	2,750,578	2,868,434	— 4.1	2,683,841	3,040,661
Jamestown	3,102,712	2,912,334	+ 6.5	3,428,900	2,835,717
New York	13,277,801,646	11,173,288,374	+18.8	11,630,326,768	10,509,571,126
Rochester	43,211,250	39,445,277	+ 9.5	46,522,547	45,905,833
Syracuse	29,954,064	26,949,784	+11.2	26,449,822	25,332,312
Connecticut—Stamford	(a)	32,536,648	-----	39,260,469	*37,500,000
New Jersey—Newark	72,460,061	69,192,751	+ 4.7	76,773,085	75,273,379
Northern New Jersey	90,181,869	86,241,331	+ 4.6	82,492,021	85,735,136
Total (9 cities)	13,707,622,242	11,634,557,285	+17.8	12,119,280,266	10,937,548,710
Third Federal Reserve District—Philadelphia—					
Pennsylvania—Altoona	1,545,665	1,501,449	+ 2.9	1,755,425	1,458,24[illegible]
Bethlehem	1,878,964	2,055,230	— 8.6	2,062,225	2,211,8[illegible]
Chester	2,058,851	1,730,085	+19.0	1,932,374	1,923,2[illegible]
Lancaster	4,778,356	4,157,492	+14.9	4,172,643	4,683,34[illegible]
Philadelphia	1,070,000,000	945,000,000	+13.2	1,214,000,000	1,206,000,000
Reading	3,850,780	3,722,418	+ 3.4	3,544,652	4,411,85[illegible]
Scranton	6,315,753	5,970,828	+ 5.8	6,370,365	6,155,29[illegible]
Wilkes-Barre	3,533,131	3,503,045	+ 0.9	3,348,311	3,839,[illegible]
York	6,096,072	6,238,982	— 2.3	5,695,940	6,851,[illegible]
Delaware—Wilmington	22,264,094	14,848,521	+49.9	16,684,109	18,103,32[illegible]
New Jersey—Trenton	14,065,613	18,433,389	—23.7	16,653,169	19,594,36[illegible]
Total (11 cities)	1,136,387,279	1,007,161,439	+12.8	1,275,419,213	1,275,264,860
Fourth Federal Reserve District—Cleveland—					
Ohio—Canton	11,893,028	9,857,825	+20.7	11,019,578	10,816,80[illegible]
Cincinnati	276,094,283	270,537,985	+ 2.1	277,457,184	260,246,61[illegible]
Cleveland	568,851,840	518,495,298	+ 9.7	592,155,681	529,934,44[illegible]
Columbus	55,344,500	52,917,900	+ 4.6	51,900,000	54,071,80[illegible]
Mansfield	11,798,908	10,089,339	+16.9	11,069,896	8,249,95[illegible]
Youngstown	12,755,887	14,002,417	— 8.9	14,350,658	14,387,06[illegible]
Pennsylvania—Pittsburgh	455,787,049	455,289,931	+ 0.1	515,079,922	466,852,64[illegible]
Total (7 cities)	1,392,525,585	1,331,190,695	+ 4.6	1,473,033,119	1,345,059,424
Fifth Federal Reserve District—Richmond—					
West Virginia—Huntington	4,637,078	4,707,464	— 1.5	3,887,991	4,062,970
Virginia—Norfolk	17,484,000	21,315,318	—18.0	23,541,421	20,819,00[illegible]
Richmond	216,522,024	186,917,405	+15.8	194,923,551	174,061,44[illegible]
South Carolina—Charleston	8,770,043	8,392,441	+ 4.5	7,169,538	7,600,82[illegible]
Maryland—Baltimore	355,330,504	339,756,528	+ 4.6	350,568,909	325,273,39[illegible]
District of Columbia—Washington	130,972,389	121,569,095	+ 7.7	117,813,182	114,770,[illegible]
Total (6 cities)	733,716,038	682,658,251	+ 7.5	697,904,592	646,588,235
Sixth Federal Reserve District—Atlanta—					
Tennessee—Knoxville	33,270,298	27,836,011	+19.5	28,273,790	27,953,024
Nashville	146,268,338	120,029,705	+21.9	114,774,870	143,132,84[illegible]
Georgia—Atlanta	382,000,000	382,600,000	— 0.2	356,800,000	337,000,000
Augusta	7,326,801	5,907,480	+24.0	7,022,710	6,338,947
Macon	5,059,173	4,696,982	+ 7.7	5,591,700	6,054,08[illegible]
Florida—Jacksonville	266,607,669	254,087,904	+ 4.9	250,527,542	221,986,737
Alabama—Birmingham	217,789,691	186,217,544	+17.0	173,145,211	165,420,59[illegible]
Mobile	13,781,278	12,885,833	+ 7.0	12,534,964	11,714,64[illegible]
Mississippi—Vicksburg	1,020,792	601,045	+69.8	658,620	567,00[illegible]
Louisiana—New Orleans	221,720,594	206,155,913	+ 7.6	204,556,916	183,105,807
Total (10 cities)	1,294,844,634	1,201,018,417	+ 7.8	1,153,886,323	1,103,423,648
Seventh Federal Reserve District—Chicago—					
Michigan—Ann Arbor	2,317,804	2,566,271	— 9.7	3,069,106	2,424,83[illegible]
Grand Rapids	16,230,748	18,819,155	—17.8	20,334,395	19,791,46[illegible]
Lansing	9,135,608	10,010,061	— 9.7	10,596,785	12,992,66[illegible]
Indiana—Fort Wayne	10,884,726	10,539,608	+ 3.3	15,040,846	11,734,00[illegible]
Indianapolis	79,889,000	78,953,000	+ 1.2	82,516,000	82,144,00[illegible]
South Bend	8,746,840	8,043,726	+ 8.7	9,002,363	9,823,562
Terre Haute	3,401,390	3,172,587	+ 7.2	3,794,282	3,778,681
Wisconsin—Milwaukee	148,235,188	129,574,571	+14.4	133,422,735	130,121,56[illegible]
Iowa—Cedar Rapids	7,837,934	6,498,390	+20.6	6,318,175	6,101,56[illegible]
Des Moines	54,641,176	44,085,136	+23.9	49,341,968	43,157,8[illegible]
Sioux City	19,072,211	15,001,640	+27.1	13,347,156	13,799,40[illegible]
Illinois—Bloomington	3,136,788	2,183,385	+43.7	1,394,691	1,561,97[illegible]
Chicago	1,193,389,059	1,125,133,427	+ 6.1	1,127,774,599	1,064,206,3[illegible]
Decatur	7,772,654	8,342,488	— 6.8	7,971,043	7,559,6[illegible]
Peoria	13,576,341	12,809,833	+ 6.0	14,702,404	14,136,40[illegible]
Rockford	10,211,984	10,193,598	+ 0.2	11,020,978	9,910,22[illegible]
Springfield	6,386,144	5,170,943	+23.5	5,867,279	5,923,60[illegible]
Total (17 cities)	1,594,865,595	1,491,097,819	+ 7.0	1,515,514,805	1,439,164,837
Eighth Federal Reserve District—St. Louis—					
Missouri—St. Louis	390,500,000	357,000,000	+ 9.4	351,400,000	360,200,000
Kentucky—Louisville	187,859,216	172,955,452	+ 8.6	205,292,945	208,195,70[illegible]
Tennessee—Memphis	139,866,023	120,844,927	+15.7	129,019,405	120,452,74[illegible]
Illinois—Quincy	2,432,189	2,450,519	— 0.8	2,501,610	2,436,65[illegible]
Total (4 cities)	729,657,428	653,250,898	+10.3	688,213,960	691,285,105
Ninth Federal Reserve District—Minneapolis—					
Minnesota—Duluth	7,470,150	7,987,114	— 6.5	9,009,145	8,870,897
Minneapolis	424,167,827	378,175,561	+12.2	364,323,291	345,413,75[illegible]
St. Paul	156,031,111	144,168,520	+ 8.2	126,511,400	128,481,26[illegible]
North Dakota—Fargo	10,815,226	9,136,681	+18.4	7,783,835	7,659,08[illegible]
South Dakota—Aberdeen	4,710,119	4,458,828	+ 5.6	4,107,999	3,931,11[illegible]
Montana—Billings	5,970,447	5,184,623	+15.2	4,819,789	2,973,507
Helena	15,028,749	12,898,423	+16.5	11,274,665	13,451,231
Total (7 cities)	624,193,629	562,009,750	+11.1	527,830,124	510,980,852
Tenth Federal Reserve District—Kansas City—					
Nebraska—Fremont	935,603	976,666	— 4.2	1,971,465	1,039,33[illegible]
Hastings	714,158	703,984	+ 1.4	707,771	905,183
Lincoln	10,201,133	9,646,125	+ 5.8	9,490,706	9,429,06[illegible]
Omaha	169,231,214	149,045,727	+13.5	138,034,453	133,519,77[illegible]
Kansas—Topeka	7,460,006	6,501,795	+14.7	10,024,029	11,785,8[illegible]
Wichita	36,526,037	30,285,341	+20.6	25,735,725	26,162,62[illegible]
Missouri—Kansas City	473,305,493	399,316,208	+18.5	368,349,477	375,762,21[illegible]
St. Joseph	16,579,044	13,065,272	+26.9	13,384,893	10,870,10[illegible]
Colorado—Colorado Springs	6,504,848	4,951,983	+31.4	4,892,222	6,023,26[illegible]
Total (9 cities)	721,457,536	614,493,101	+17.4	572,590,741	575,497,269
Eleventh Federal Reserve District—Dallas—					
Texas—Austin	13,599,225	10,039,763	+35.5	10,753,212	10,144,34[illegible]
Dallas	511,867,941	453,521,715	+12.9	420,750,009	387,807,92[illegible]
Fort Worth	41,855,111	36,558,624	+14.5	38,702,031	34,114,0[illegible]
Galveston	5,133,000	6,757,000	—24.0	8,038,000	7,422,00[illegible]
Wichita Falls	7,138,965	6,716,582	+ 6.3	5,700,927	7,321,77[illegible]
Louisiana—Shreveport	11,871,351	12,208,651	— 2.8	14,849,299	16,355,261
Total (6 cities)	591,465,593	525,802,335	+12.5	498,793,478	463,165,995
Twelfth Federal Reserve District—San Francisco—					
Washington—Seattle	213,390,946	179,964,392	+18.6	177,430,665	181,241,15[illegible]
Yakima	4,689,705	4,389,275	+ 6.8	4,432,539	4,833,721
Oregon—Portland	202,006,604	177,187,361	+14.0	172,131,400	171,555,72[illegible]
Utah—Salt Lake City	99,500,003	90,672,467	+ 9.7	90,302,158	77,358,220
California—Long Beach	26,829,558	24,692,605	+ 8.7	24,904,740	21,021,62[illegible]
Pasadena	20,412,647	16,848,177	+21.2	17,992,077	16,397,601
San Francisco	710,418,127	651,747,717	+ 9.0	621,811,913	643,884,49[illegible]
San Jose	35,463,520	25,098,850	+41.3	21,503,461	25,848,51[illegible]
Santa Barbara	9,671,255	7,309,330	+32.3	6,614,806	6,216,28[illegible]
Stockton	13,828,620	10,357,387	+21.7	10,327,438	9,567,16[illegible]
Total (10 cities)	1,336,210,985	1,188,267,561	+12.5	1,147,451,197	1,160,926,513
Grand total (108 cities)	25,246,472,129	21,691,267,790	+16.4	22,490,675,176	20,932,906,903
Outside New York City	11,968,670,483	10,517,979,416	+13.8	10,860,348,408	10,423,335,777

(a) Clearings operations discontinued.

FOREIGN EXCHANGE RATES

Pursuant to the requirements of Section 522 of the Tariff Act of 1930, the Federal Reserve Bank certifies daily to the Secretary of the Treasury the buying rate for cable transfers on the different countries of the world. We give below a record for the week just passed.

FOREIGN EXCHANGE RATES CERTIFIED BY FEDERAL RESERVE BANK TO TREASURY UNDER TARIFF ACT OF 1930
JANUARY 30, 1959 TO FEBRUARY 5, 1959, INCLUSIVE

Country and Monetary Unit	Noon Buying Rate for Cable Transfers in New York (Value in United States Money)				
	Friday Jan. 30	Monday Feb. 2	Tuesday Feb. 3	Wednesday Feb. 4	Thursday Feb. 5
	$	$	$	$	$
Argentina, peso—					
Free	.0151282	.0153093	.0152936	.0153445	.0153192
Australia, pound	2.238047	2.239043	2.239043	2.238545	2.239292
Austria, schilling	.0385154*	.0385154*	.0385154*	.0384883*	.0384765*
Belgium, franc	.0200037	.0200062	.0200062	.0200062	.0200100
Canada, dollar	1.031406	1.029687	1.028625	1.028359	1.027968
Ceylon, rupee	.210560	.210660	.210660	.210623	.210660
Finland, markka	.00311405*	.00311405*	.00311405*	.00311405*	.00311405*
France (Metropolitan), franc	.00203784	.00203762	.00203778	.00203714	.00203784
Germany, Deutsche mark	.239425	.239425	.239437	.239350	.239355
India, rupee	.210703	.210740	.210740	.210685	.210753
Ireland, pound	2.808750	2.810000	2.810000	2.809375	2.810312
Japan, yen	.00277912*	.00277912*	.00277912*	.00277912*	.00277912*
Malaysia, Malayan dollar	.328904	.329004	.329004	.328970	.329004
Mexico, peso	.0800560	.0800560	.0800560	.0800560	.0800560
Netherlands, guilder	.265187	.265170	.265200	.265150	.265150
New Zealand, pound	2.780940	2.782178	2.782178	2.781559	2.782487
Norway, krone	.140156	.140218	.140200	.140200	.140187
Philippine Islands, peso	.496950*	.496950*	.496950*	.496950*	.496950*
Portugal, escudo	.0349580*	.0349420*	.0349680*	.0349740*	.0349780*
Spain, peseta	.0238095*	.0238095*	.0238095*	.0238095*	.0238095*
Sweden, krona	.193252	.193286	.193290	.193282	.193280
Switzerland, franc	.231943	.231968	.231950	.231950	.231962
Union of South Africa, pound	2.798256	2.799501	2.799501	2.798879	2.799813
United Kingdom, pound sterling	2.808750	2.810000	2.810000	2.809375	2.810312

*Nominal.

Statement of Condition of the Twelve Federal Reserve Banks Combined

(In thousands of dollars)

	Feb. 4, 1959	Increase (+) or Decrease (—) Since Jan. 28, 1959	Feb. 5, 1958
ASSETS—			
Gold certificate account	18,957,891	— 40,002	—2,287,502
Redemption fund for F. R. notes	934,106	— 308	+ 76,913
Total gold certificate reserves	19,891,997	— 40,310	—2,210,589
F. R. notes of other banks	626,773	— 50,268	— 486
Other cash	485,090	— 5,108	— 50,317
Discounts and advances	408,382	— 87,082	+ 255,321
Industrial loans	335	----	— 177
Acceptances—bought outright	36,633	+ 1	— 3,205
U. S. Government securities:			
Bought outright—			
Bills	1,597,550	+160,400	+1,026,277
Certificates	18,649,726	----	—1,283,886
Notes	2,867,565	----	+2,867,565
Bonds	2,483,771	----	— 317,979
Total bought outright	25,598,612	+160,400	+2,291,977
Held under repurchase agree't	63,850	+ 63,850	— 40,450
Total U. S. Gov't securities	25,662,462	+224,250	+2,251,527
Total loans and securities	26,107,812	+137,169	+2,503,466
Due from foreign banks	15	----	----
Uncollected cash items	4,945,559	—141,751	+ 521,492
Bank premises	94,076	— 143	+ 9,781
Other assets	141,928	— 55,702	— 30,726
Total assets	52,293,250	—156,113	+ 742,621
LIABILITIES—			
Federal Reserve notes	27,120,108	— 1,781	+ 434,615
Deposits:			
Member bank reserves	18,662,297	+173,049	— 396,051
U. S. Treas.—general account	421,564	— 65,590	+ 214,908
Foreign	287,159	— 33,160	+ 3,406
Other	351,687	+ 11,487	+ 30,563
Total deposits	19,722,707	+ 85,786	— 147,174
Deferred availability cash items	4,029,823	—251,856	+ 410,809
Other liabs. & accrued dividends	23,512	— 469	+ 8,944
Total liabilities	50,896,150	—168,320	+ 707,194
CAPITAL ACCOUNTS—			
Capital paid in	370,898	+ 2,481	+ 23,118
Surplus	868,410	----	+ *31,669
Other capital accounts	157,792	+ 9,726	— 19,360
Total liabs. & capital accounts	52,293,250	—156,113	+ 742,621
Ratio of gold certificate reserves to deposit & F. R. note liabilities combined	42.5%	— .1%	— 5.0%
Contingent liabilities on acceptances purchased for foreign correspondents	57,048	— 2,956	— 71,351
Industrial loan commitments	960	----	— 119

*Net change after elimination of Section 13b surplus of $27,543,000 on Sept. 2, 1958.

Condition Statement of Member Banks

The condition statement of weekly reporting member banks of the Federal Reserve System in leading cities shows the following principal changes for the week ended Jan. 28: Decreases of $198 million in loans adjusted, $164 million in holdings of U. S. Government securities, $254 million in reserve balances with Federal Reserve Banks, $572 million in demand deposits adjusted, and $518 million in demand deposits credited to domestic banks, and an increase of $358 million in U. S. Government deposits.

Commercial and industrial loans decreased in all but one district and a total of $141 million at all reporting member banks; the principal decreases were $23 million in New York City, $20 million each in the Cleveland and San Francisco Districts, $16 million each in Chicago and in the Boston District, and $15 million in the Kansas City District. Changes according to industry appear in another press release. Loans to brokers and dealers for purchasing or carrying U. S. Government and other securities decreased $79 million.

Holdings of Treasury bills decreased $48 million, Treasury certificates of indebtedness $107 million, and Treasury notes $34 million. Holdings of "other" securities decreased $56 million.

Demand deposits adjusted decreased $143 million in the New York District, $139 million in the San Francisco District, $82 million in the Boston District, $62 million in the Cleveland District, and $53 million in the Richmond District.

Borrowings from Federal Reserve Banks increased $14 million and borrowings from others increased $228 million. Loans to banks increased $221 million.

A summary of assets and liabilities of reporting member banks follows:

	Jan. 28, 1959	Increase (+) or Decrease (—) Since Jan. 21, 1959	Jan. 29, 1958
	(In millions of dollars)		
ASSETS—			
Loans and investments adjusted†	95,179	— 418	+8,992
Loans adjusted†	53,896	— 198	+1,651
Commercial and industrial loans	29,678	— 141	— 523
Agricultural loans	597	+ 2	+ 160
Loans to brokers and dealers for purchasing or carrying securities	2,119	— 79	+ 474
Other loans for purchasing or carrying securities	1,319	+ 19	+ 194
Real estate loans	9,665	+ 9	+ 921
Other loans	11,744	— 7	+ 518
U. S. Government securities—total	32,126	— 164	+6,203
Treasury bills	2,069	— 48	+ 638
Treasury certificates of indebtedness	3,640	— 107	+1,841
Treasury notes	8,123	— 24	+3,458
U. S. bonds	18,294	+ 25	+ 266
Other securities	9,157	— 56	+1,138
Loans to banks	1,748	+ 221	+ 291
Reserves with Federal Reserve banks	13,013	— 254	— 445
Cash in vault	1,039	+ 26	+ 8
Balances with domestic banks	2,376	— 97	— 104
LIABILITIES—			
Demand deposits adjusted	58,620	— 572	+2,486
Time deposits except U. S. Government	28,320	— 1	+3,530
U. S. Government deposits	2,947	+ 358	+1,766
Interbank demand deposits:			
Domestic banks	10,268	— 518	+ 16
Foreign banks	1,395	— 41	— 133
Borrowings:			
From Federal Reserve banks	316	+ 14	+ 198
From others	1,172	+ 228	+ 390

† Exclusive of loans to banks and after deduction of valuation reserves; individual loan items are shown gross.

Redemption Calls and Sinking Fund Notices

Below will be found a list of corporate bonds, notes, preferred and common stock called for redemption, including those called under sinking fund provisions. The date indicates the redemption or last date for making tenders, and the page number gives the location in the current volume (except where otherwise indicated) in which the details were given in the "Chronicle."

NOTICE OF TENDER

Company and Issue—	Date	Page
Sylvania Electric Products, Inc.—		
4¾% s. f. debentures due March 1, 1980	Feb 24	*
Textron, Inc.—		
15-year subordinated s. f. debs. due Feb. 1, 1970	Feb 16	*

PARTIAL REDEMPTIONS

Company and Issue—	Date	Page
Adams Engineering Co., Inc.—		
6½% convertible debentures due April 1, 1968	Feb 15	*
Atlas Plywood Corp., 5¼% debentures	Mar 1	*
Compania Salitrera de Tarapaca y Antofagasta—		
Various 5% debentures, due Jan. 2, 1968, 1969, 1971, 1972 and 1975	Jan 2	*
Georgia Power Co., 1st mtge., bds., 5¼% ser. due 1987	Feb 20	481
May Stores Realty Co.—		
General mortgage 5% bonds, due Feb. 15, 1977	Feb 15	47
Merchants Acceptance Corp.—		
5½% subordinated debentures due March 1, 1966	Mar 1	*
Pacific Finance Corp. cap. debs., 4½% ser. due 1967	Mar 1	*
Pet Milk Co., 4½% cumulative preferred stock	Feb 15	349
Pinellas Industries, Inc.—		
8% convertible s. f. debentures due 1964	Feb 20	50
Public Service Electric & Gas Co.—		
4⅜% debs. bonds dated March 1, 1957, due 1977	Mar 1	*
Sixteen East Broad Co.—		
6% notes dated Nov. 1, 1955, due Nov. 15, 1960	Feb 1	*
Time Finance Corp. 50 cents conv. preferred stock	Feb 27	*
Toledo Edison Co.—		
1st mortgage bonds, 3⅛% series due 1978	Mar 1	*
Vendorlator Manufacturing Co.—		
6% s. f. debentures due Oct. 1, 1966	Feb 1	*

ENTIRE ISSUES CALLED

Company and Issue—	Date	Page
Agnew-Surpass Shoe Stores, Ltd. 5½% pfd. stock	Feb 27	*
Algoma Central & Hudson Bay Ry.—		
5% first income debentures stock and/or bonds	Mar 10	‡2637
American Art Metals Co. 6% cumul. pfd. stock	Jan 22	*
American Machine & Foundry Co.—		
4¼% subordinated debentures due 1981	Feb 9	145
American Metal Products Co.—		
5½% cumulative convertible preferred stock	Mar 31	597
Black Hills Power & Light Co., 4.56% cumul. pfd. stk.	Feb 24	478
Botany Mills, Inc., 5% and 4% cumul. conv. pfd. stk.	Feb 14	479
Catalin Corp. of America, $1.20 cumul. conv. pfd. stk.	Feb 16	479
Consolidated Telephone Co. 5½% conv. pfd. stock	Jan 31	*
Continental Can Co., Inc.—		
$4.50 cumul. convertible second preferred stock	Feb 20	*
Equitable Gas Co., 4½% convertible preferred stock	Feb 9	148
Fibreboard Paper Products Corp.—		
4% cumulative convertible preferred stock	Mar 3	344
(R. E.) Funsten Co. 4½% cumul. conv. pfd. stock	Jan 2	*
Grolier Society, Inc.—		
5% convertible subordinate debentures dated May 1, 1957, due May 1, 1967	Feb 16	‡2246
Interstate Engineering Corp., 5½% subord. conv. debs.	Feb 28	347
Los Angeles Biltmore Hotel Co.—		
5% second lien notes due Dec. 15, 1961	Jan 21	*
McLouth Steel Corp., 5% cumul. conv. preferred stk.	Feb 19	483
National Cash Register Co.—		
4½% convertible subordinated debentures due 1981	Feb 9	152
Salada-Shirriff-Horsey Ltd.—		
5¾% cumul. conv. preferred stock, series B	Feb 17	*
Standard Coil Products Co., Inc.—		
5% convertible subordinated debentures due 1967	Feb 16	89
Sylvania Electric Products, Inc.—		
4½% conv. subord. debentures due 1983	Mar 3	*
Tennessee Gas Transmission Co.—		
5.16% convertible second preferred stock	Mar 6	*

*Announcement in this issue. ‡In Volume 188.

DIVIDENDS

(Continued from page 12)

Name of Company	*Per Share*	*When Payable*	*Holders of Rec.*
Hauserman (E. F.) Co. (quar.)	15c	4- 2	2-26
Hays Corp., 5% pfd. (quar.)	$1.25	2- 1	1-20
Hecla Mining Co. (quar.)	12½c	3-20	2-20
Hercules Galion Products, common (quar.)	5c	3-16	3- 5
6% preferred B (quar.)	30c	3- 2	2-16
Hercules Powder Co., 5% preferred (quar.)	$1.25	2-13	2- 1
Heyden Newport Chemical, common	10c	3- 1	2-13
3½% preferred (quar.)	87½c	3- 1	2-13
$4.375 preferred (quar.)	$1.09⅜	3- 1	2-13
Hilton Hotels, common (quar.)	30c	3- 2	2-16
5½% preferred (quar.)	34⅜c	3- 2	2-16
5% 1st preferred (quar.)	$1.25	3- 2	2-16
4¾% preferred (quar.)	$1.18¾	3- 2	2-16
Hinde & Dauch Paper Co. of Canada, Ltd.—			
Quarterly	‡45c	3-25	2-27
Hires (Charles E.) Co. (quar.)	15c	3- 2	2-13
Honegger's & Co. (stock dividend)	1½%	2-16	1-31
Hooker Chemical, common (quar.)	25c	2-26	2- 3
$4.25 preferred (quar.)	$1.06¼	3-26	3- 3
Hormel (George A.), common (quar.)	62½c	2-16	1-24
6% preferred (quar.)	$1.50	2-16	1-24
Horn & Hardart Co. (N. Y.)—			
5% preferred (quar.)	$1.25	3- 1	2-10
Household Finance, common (quar.)	30c	4-15	3-31
3¾% preferred (quar.)	93¾c	4-15	3-31
4% preferred (quar.)	$1	4-15	3-31
4.40% preferred (quar.)	$1.10	4-15	3-31
Housatonic Public Service (quar.)	35c	2-20	2- 6
Howard Stores—			
4¼% preferred (quar.)	$1.06¼	3- 2	2-10
Hubinger Company (increased quar.)	30c	3-10	2-27
Hudson Bay Mining & Smelting, Ltd. (quar.)	‡75c	3-16	2-13
Hugoton Gas Trust—			
Units of beneficial interest	27c	2-20	1-31
Hugoton Production (quar.)	60c	3-16	2-27
Hunt Foods & Industries, common (quar.)	12½c	2-27	2-10
Stock dividend	5%	3-16	2-27
Extra stock dividend	5%	3-16	2-27
5% preferred (quar.)	$1.25	2-27	2-10
Huron & Erie Mortgage (increased)	45c	4- 1	3-16
Idaho Power Co., common (quar.)	40c	2-20	1-26
Incorporated Investors (capital gains distribution)	57c	2-13	1-21
Indiana Gas & Water (quar.)	23c	3- 1	2-16
Indiana Steel Products (quar.)	30c	3-10	2-25
Ingersoll-Rand Co., common (quar.)	75c	3- 2	2- 2
6% preferred (s-a)	$3	7- 1	6- 2
Inland Steel Co.	$1	3- 2	2-17
Institutional Shares, Ltd.—			
Institutional Foundation Fund (11c from investment income plus 11c from security profits)	22c	3- 1	2- 2
Interchemical Corp., common (quar.)	65c	2-15	1-30
International Business Machines (quar.)	65c	3-10	2-10
International Harvester, 7% pfd. (quar.)	$1.75	3- 2	2- 5
International Investors, Inc.—			
(Five cents from net investment income plus seven cents from realized security profits)	12c	3- 1	1-23
International Petroleum (reduced)	30c	3-10	2-10
International Resistance Co. (quar.)	5c	3- 2	2-13
International Silver Co. (quar.)	37½c	3- 1	2-11
International Telephone & Telegraph Corp. Stock-split (One additional share for each share held)	----	3- 5	2- 5
International Utilities (quar)	25c	3- 2	2- 9
Inter-Ocean Reinsurance	50c	3- 6	2-20
Interprovincial Building Credits, Ltd. (quar.)	‡17½c	3- 2	2-16
Interprovincial Pipe Line, Ltd. (quar.)	‡45c	3- 2	2- 6
Interstate Department Stores, Inc.—			
Resumed quarterly	30c	2-15	1-26
Stock dividend	3%	2-25	1-26
Interstate Engineering (quar.)	12½c	2-28	2-13
Interstate Motor Lines (quar.)	15c	2-15	----
Investors Mutual Fund	8c	2-11	1-30
Investors Trust Co. of Rhode Island—			
$2.50 preferred (quar.)	37½c	5- 1	4-20
Extra	25c	5- 1	4-20
$2.50 preferred (quar.)	37½c	8- 1	7-20
Extra	25c	8- 1	7-20
$2.50 preferred (quar.)	37½c	11- 2	10-19
Extra	25c	11- 2	10-19

Name of Company	Per Share	When Payable	Holders of Rec.
Iowa-Illinois Gas & Electric, com. (quar.)	45c	3- 2	1-30
Iowa Power & Light, common (quar.)	40c	3-26	2-26
4.80% preferred (quar.)	$1.20	4- 1	3-13
4.35% preferred (quar.)	$1.08¾	4- 1	3-13
3.30% preferred (quar.)	82½c	4- 1	3-13
Iowa Southern Utilities, common (increased)	34c	3- 1	2-13
$1.76 preferred (quar.)	44c	3- 1	2-13
4¾% preferred (quar.)	35⅝c	3- 1	2-13
Irving Trust Co. (N. Y.) (stock dividend)	2%	3- 2	2- 4
Istel Fund, Inc.	40c	1-30	12-24
Jamestown Telephone (N. Y.), com. (quar.)	$1.40	3-15	2-27
5% 1st preferred (quar.)	$1.25	4- 1	3-13
Jantzen, Inc., 5% preferred A (quar.)	$1.25	3- 1	2-25
Jefferson Standard Life Insurance (quar.)	25c	2-10	2- 2
Extra	25c	2-10	2- 2
Jewel Tea Co., common (increased quar.)	60c	2-27	2-13
Stock dividend (two-for-one split)	----	2-27	2-13
3¾% preferred (quar.)	93¾c	5- 1	4-17
Johnson & Johnson, new common (initial)	20c	3-11	2-20
Jones & Laughlin Steel, com. (quar.)	62½c	3-10	2- 9
5% preferred A (quar.)	$1.25	y4- 1	y3- 6
Kaiser Aluminum & Chemical, com. (quar.)	22½c	2-28	2-13
4¾% preferred (quar.)	59⅜c	3- 1	2-16
4⅛% preferred (quar.)	$1.03⅛	3- 1	2-16
4¾% preferred (quar.)	$1.18¾	3- 1	2-16
Kansas City Power & Light Co.—			
4.35% preferred (quar.)	$1.08¾	3- 1	2-13
4½% preferred (quar.)	$1.12½	3- 1	2-13
4% preferred (quar.)	$1	3- 1	2-13
4.20% preferred (quar.)	$1.05	3- 1	2-13
3.80% preferred (quar.)	95c	3- 1	2-13
Kansas City Public Service—			
5% preferred (accum.)	$1.75	3- 2	2-13
Kelly Douglas & Co., Ltd., class A	‡6¼c	2-28	2-13
Kennametal, Inc.	25c	2-20	2- 5
Kentucky Utilities, common (increased)	38c	3-16	2-25
4¾% preferred (quar.)	$1.18¾	3- 2	2-16
Kerr-Addison Gold Mines, Ltd. (quar.)	‡20c	3-25	2-27
Kerr Income Fund (monthly)	5c	2-15	2- 4
Ketchum Company	15c	2-26	2-11
Keyes Fibre Co., common (quar.)	30c	3- 1	2- 9
4.80% 1st preferred (quar.)	30c	4- 1	3- 9
Keystone Custodian Funds—			
Keystone Income Fund series K-1 (quarterly from net investment income)	12c	2-15	10-31
Keystone Steel & Wire (quar.)	50c	3-10	2-10
King Bros. Productions, Inc.	5c	2-15	1-15
Stock dividend	5%	7-15	6-15
Knickerbocker Fund (2 1/10c from income and 8 9/10c from capital gains)	11c	2-20	1-31
Koehring Co., common (quar.)	10c	2-28	1-27
5% convertible preferred A (quar.)	62½c	3-30	3-16
5% convertible preferred B (quar.)	62½c	3-30	3-16
Krueger (W. A.) Co. (quar.)	10c	2-16	2- 6
Knudsen Creamery Co.—			
Common (stock dividend)	10%	2-10	1- 5
Voting trust ctfs. (stock dividend)	10%	2-10	1- 5
Common (year-end)	20c	2-10	1- 5
Kresge (S. S.) Company (quar.)	40c	3-10	2-17
Kroger Company, new com. (initial)	22½c	3- 2	1-30
6% 1st preferred (quar.)	$1.50	4- 1	3-16
7% 2nd preferred (quar.)	$1.75	5- 1	4-15
Kysor Heater Co. (quar.)	15c	3-20	3- 2
L'Aiglon Apparel (quar.)	10c	2-16	2- 4
Lake Superior & Ishpeming RR. Co. (quar.)	40c	3-16	3- 2
Lake of the Woods Milling, Ltd.—			
7% preferred (quar.)	‡$1.75	3- 2	2- 2
Lane Bryant, Inc. (quar.)	30c	3- 2	2-13
Lang Company	10c	2-15	1-31
Lanston Industries (quar.)	15c	2- 9	1-26
Laura Secord Candy Shops, Ltd.	‡25c	3- 1	2-12
Extra	‡25c	3- 1	2-12
Laurentide Acceptance Corp. Ltd.—			
Class B (quar.)	‡15c	4-30	4-15
Lawson & Jones, Ltd., class A	‡$1	4- 1	3-16
Class B	‡$1	4- 1	3-16
1% non-cumulative preferred	‡1c	4- 1	3-16
Lee & Cady Co. (quar.)	15c	3-12	3- 2
Lees (James) & Sons (quar.)	50c	3- 2	2-16
Lehigh Portland Cement (quar.)	25c	3- 2	2- 2
Leslie Salt (quar.)	40c	3-16	2-16
Lester Engineering (quar.)	7½c	3- 2	2-16
Lexington Trust Fund	11c	2-16	1-30
Libbey-Owens-Ford Glass (quar.)	90c	3-10	2-20
Libby, McNeill & Libby (quar.)	10c	3- 1	2- 6
Life Insurance Co. of Virginia (Richmond) Quarterly	30c	3- 4	2-18
Stock dividend (subject to approval of stockholders Feb. 25)	4%	3-30	3- 2
Liggett & Myers Tobacco (quar.)	$1	3- 2	2-20
Extra	$1	3- 2	2-20
Lilly (Eli) & Co., class A (increased)	50c	3-10	2-13
Class B (increased)	50c	3-10	2-13
Link-Belt Co. (quar.)	60c	3- 2	2- 2
Little Miami RR. Special gtd. (quar.)	50c	3-10	2-19
Original capital (quar.)	$1.10	3-10	2-19
Loblaw Cos., Ltd., class A (quar.)	‡10c	3- 2	2- 4
Class B (quar.)	‡10c	3- 2	2- 4
$2.40 preferred (quar.)	‡60c	3- 2	2- 4
Loblaw Groceterias Ltd., common (quar.)	‡54c	3- 2	2- 4
1st preferred (quar.)	‡37½c	3- 2	2- 4
2nd preferred (quar.)	‡54c	3- 2	2- 4
Local Finance (Rhode Island)—			
Preferred (quar.)	11¼c	3- 1	2-16
Lone Star Gas, common (quar.)	45c	3- 9	2-20
4.84% preferred (quar.)	$1.21	3-15	2-20
Lorain Coal & Dock Co.—			
5% convertible preferred (quar.)	62½c	4- 1	3-20
Lord Baltimore Hotel—			
7% non-cumulative 2nd preferred (quar.)	$1.75	5- 1	4-23
7% non-cumulative 2nd preferred (quar.)	$1.75	8- 1	7-23
7% non-cumulative 2nd preferred (quar.)	$1.75	11- 1	10-23
Louisville, Henderson & St. Louis Ry. (s-a)	$2.50	2-16	1-30
Louisville & Nashville RR. (quar.)	$1.25	3-12	2- 2
Lucky Stores (quar.)	20c	2-16	2- 2
Lukens Steel Co.	25c	2-18	2- 6
Lunkenheimer Co. (quar.)	35c	3-10	2-27
Lynch Carrier System (quar.)	10c	2-13	1-21
Extra	5c	2-15	1-21
MacLeods, Ltd., 6% pref. A (quar.)	‡30c	2-15	1-31
6% partic. preferred (quar.)	‡30c	2-15	1-31
Macmillan Co., common (quar.)	25c	2-25	2- 6
MacWhyte Co. (quar.)	35c	3- 5	2-13
Madison Fund— (15c payment plus 82c from capital gains payable in cash or stk. at holders' option)	97c	3-16	2- 6
Magor Car Corp. (quar.)	50c	3-27	3-13
Maher Shoes, Ltd. (quar.)	30c	3-10	2-10
Mahon (R. C.) Co. (quar.)	30c	3-10	2-27
Mallory (P. R.) & Co. (quar.)	35c	3-10	2-13
Managed Funds, Inc.—			
Metal shares	9c	2-10	1-21
Petroleum shares	8c	2-10	1-21
Special Investment shares	5c	2-10	1-21
Manhattan Shirt Co. (quar.)	17½c	3- 2	2-10
Manning, Maxwell & Moore, Inc. (quar.)	35c	3-10	2-20
Marine Bancorporation—			
Initial Stock (quar.)	80c	3-14	2-27
Fully Participating (quar.)	80c	3-14	2-27
Marmon-Herrington (increased)	15c	2-20	2- 2
Stock dividend	5%	2-20	2- 2
Marshall Field & Co., common (quar.)	50c	2-28	2-15
4¼% preferred (quar.)	$1.06¼	3-31	3-15
Massachusetts Bonding & Insurance (quar.)	40c	2-16	2- 4
Mathews Conveyer (quar.)	25c	3-10	2-20
Massachusetts Indemnity & Life Insurance— Quarterly	20c	2-25	2-16
Massachusetts Investors Trust—			
Special distribution of net realized long-term capital gains	12c	2-16	12-31
McColl-Frontenac Oil, Ltd., com. (quar.)	‡40c	2-28	1-31
McCord Corp., common (quar.)	50c	2-27	2-13
$2.50 preferred (quar.)	62½c	3-30	3-16
McIntyre Porcupine Mines Ltd. (quar.)	‡50c	3- 2	2- 2
McKesson & Robbins (quar.)	70c	3-14	2-27
McLouth Steel Corp.—			
5% conv. preferred (entire issue called for redemption on Feb. 19 at $105 per share plus this div.). Convertible into com. to Feb. 19	69c	2-19	----
Mead Corp., common (quar.)	42½c	3- 1	2- 6
4¼% preferred (quar.)	$1.06¼	3- 1	2- 6
Mead Johnson & Co. (quar.)	30c	4- 1	3-13
Meadville Telephone (quar.)	50c	2-15	1-30
Melville Shoe Corp.—			
4¾% preferred A (quar.)	$1.18¾	3- 1	2-13
4% preferred (quar.)	$1	3- 1	2-13
Menasco Mfg.	15c	2-20	2- 6
Merchants Fire Assurance Corp. (N. Y.)— Quarterly	50c	3- 5	2-16
Mergenthaler Linotype Co. (resumed)	50c	3-26	3-11
Messenger Corp. (quar.)	12½c	2-16	2- 6
Metal Hose & Tubing Co.	70c	3-10	2-28
Metropolitan Brick (quar.)	25c	3-31	3- 5
Metropolitan Edison Co., 3.80% pfd. (quar.)	95c	4- 1	3- 3
3.85% preferred (quar.)	96¼c	4- 1	3- 3
3.90% preferred (quar.)	97½c	4- 1	3- 3
4.35% preferred (quar.)	$1.08¾	4- 1	3- 3
4.45% preferred (quar.)	$1.11¼	4- 1	3- 3
Michigan Central R. R. (s-a)	$25	7-31	7-21
Michigan Seamless Tube Co.	25c	2-16	2- 9
Mickelberry's Food Products (quar.)	20c	3-13	2-20
Midland Enterprises (resumed)	$2.65	2-11	2- 9
Mid-West Abrasive Co. (quar.)	15c	4- 1	3-18
Midwest Piping Co. (quar.)	37½c	2-16	1-30
Miles Laboratories, Inc. (monthly)	12c	2-25	1-30
Mineral Mining (annual)	5c	3- 2	2- 2
Extra	5c	3- 2	2- 2
Minneapolis Gas (increased)	37½c	2-10	1-26
Minneapolis-Honeywell Regulator (quar.)	40c	3-10	2-13
Minneapolis-Moline Co., $5.50 pfd. (quar.)	$1.37½	2-15	2- 6
$1.50 preferred (quar.)	37½c	2-15	2- 6
Minneapolis & St. Louis Ry. (quar.)	35c	2-27	2-13
Mississippi Power, 4.40% pfd. (quar.)	$1.10	4- 1	3-14
$4.60 preferred (quar.)	$1.15	4- 1	3-14
Missouri-Kansas Pipe Line, common	90c	3-17	2-27
Class B	4½c	3-17	2-27
Missouri Portland Cement (increased-quar.)	75c	2-13	1-30
Missouri Public Service, com. (quar.)	18c	3-12	2-18
Stock dividend	½%	3-12	2-18
4.30% preferred (quar.)	$1.07½	3- 1	2-16
5.52% preferred (quar.)	$1.38	3- 1	2-16
Monsanto Chemical (quar.)	25c	3-16	2-10
Monumental Life Insurance (Balt.) (quar.)	30c	2-30	1-23
Moody's Investors Service—			
$3 partic. pref. (quar.)	75c	2-16	2- 2
Moore-Handley Hardware—			
5% preferred (quar.)	$1.25	3- 2	2-14
Moore-McCormack Lines (quar.)	37½c	3-14	2-27
Morgan Engineering, common (quar.)	30c	3-10	2-20
$2.50 prior preferred (quar.)	62½c	4- 1	3-13
Morrison-Knudsen Co. (quar.)	40c	3- 2	2- 4
Morton Manufacturing (initial)	8c	3-15	2-27
Motor Wheel Corp. (quar.)	15c	3-10	2-13
Mutual Income Foundation—			
Beneficial shares	14½c	2-25	1-30
Mutual Investment Fund, Inc.—			
$0.047 from net investment income plus $0.043 from realized security profits ($0.008 from short-term capital plus $0.035 from long-term)	9c	2-15	2- 1
Narda Microwave Corp. (N. Y.)—			
Stock div. (1 sh. of Narda Ultrasonics Corp. for each 100 shares held)	----	2-16	1-30
Stock div. (1 sh. of Narda Ultrasonics Corp. for each 100 shares held)	----	5-15	4-30
Stock div. (1 sh. of Narda Ultrasonics Corp. for each 100 shares held)	----	8-17	7-31
Stock div. (1 sh. of Narda Ultrasonics Corp. for each 100 shares held)	----	11-16	10-30
Nashua Corp., class A (quar.)	50c	3- 5	2-26
Class B (quar.)	50c	3- 5	2-26
National Acme Co. (quar.)	50c	2-20	2-10
National Biscuit, common (quar.)	50c	4-15	3- 6
7% preferred (quar.)	$1.75	2-27	2-10
National Company, $3.60 preferred	90c	4- 1	3-20
National Distillers & Chemical Corp.—			
Common (quar.)	25c	3- 2	2-10
4¼% preferred (quar.)	$1.06¼	3-16	2-16
National Drug & Chemical (Canada), Ltd.—			
Common (quar.)	20c	3- 2	2- 6
60c conv. preferred (quar.)	15c	3- 2	2- 6
National Electric Welding Machine Co.	15c	5- 1	4-17
National Casket Co. (quar.)	25c	2-16	1-29
National Grocers, Ltd., common (quar.)	‡15c	4- 1	3-13
$1.50 pref. (quar.)	‡37½c	4- 1	3-13
National Gypsum Co., common (quar.)	50c	4- 1	3- 6
$4.40 preferred (quar.)	$1.12½	3- 2	2-13
National Lead, 7% pfd. A (quar.)	$1.75	3-16	2-18
National Malleable & Steel Castings—			
Increased quarter	50c	3-10	2-13
National Screw & Mfg. (quar.)	62½c	4- 1	3-16
National Securities & Research Corp.—			
Preferred stock series (from net inv. inc.)	10c	2-14	1-30
Stock series (from net inv. income)	9c	2-14	1-30
National Shirt Shops (quar.)	20c	2-27	2-13
National Starch Products (increased)	30c	2-25	2-10
National Tea Co. (quar.)	50c	3- 1	2-13
National Vulcanized Fibre (quar.)	20c	2-16	2- 4
Nazareth Cement Co. (quar.)	40c	3-16	2-27
Nease Chemical (increased-quar.)	5c	2-16	2- 2
Nehi Corp. (quar.)	20c	4- 1	3-17
Neiman-Marcus, 4¼% pfd. (quar.)	$1.06¼	2-16	2- 2
Neisner Bros. (quar.)	20c	3-14	2-27
Neon Products Canada, Ltd.			
Common (quar.)	‡15c	4-24	4- 3
Neptune Meter Co., com. (quar.)	35c	2-16	1-30
$2.40 preferred (quar.)	60c	2-16	1-30
New Amsterdam Casualty Co. (increased s-a)	$1	3- 2	2- 6
New Calumet Mines Ltd. (resumed)	‡2c	2-20	2- 6
New Jersey Power & Light, 4% pfd. (quar.)	$1	4- 1	3- 6
4.05% preferred (quar.)	$1.01¼	4- 1	3- 6
New Jersey Realty (increased-annually)	65c	2-16	1-28
New Jersey Realty Title Insurance	25c	2-11	1-28
New York Air Brake Co. (quar.)	25c	2-27	2-13
New York, Chicago & St. Louis R.R. (quar.)	50c	4- 1	2-27
New York State Electric & Gas—			
Increased quarterly on common	57½c	2-15	1-19
4½% preferred (quar.)	$1.12½	4- 1	3- 6
3¾% preferred (quar.)	93¾c	4- 1	3- 6
$4.50 preferred (quar.)	$1.12½	4- 1	3- 6
Newport Electric Corp., com. (quar.)	27½c	3- 2	2-16
3¾% preferred (quar.)	93¾c	4- 1	3-16
Newport News Shipbuilding & Dry Dock— Quarterly	35c	3- 2	2-13
Niagara Share Corp—			
(28c from long-term capital gains and 7c from net investment income)	35c	3-12	2-26
Nopco Chemical Co., 4% pfd. (quar.)	$1	3- 2	2-20
Norfolk & Western Ry., com. (quar.)	90c	3-10	2- 9
4% adj. preferred (quar.)	25c	2-10	1-15
North American Coal Corp. (quar.)	15c	2- 9	1-26
North American Investment, common			
($2 fr. capital gains and 50c fr. net inc.)	$2.50	3-20	2-27
6% preferred (quar.)	37½c	3-20	2-27
5½% preferred (quar.)	34⅜c	3-20	2-27
North Shore Gas (Ill.) (quar.)	25c	3- 2	2- 6
North Star Oil, Ltd., class A (quar.)	‡15c	3-14	2-14
Class A (quar.)	‡15c	6-15	5-15
$2.50 preferred (1956 series)	‡62½c	4- 2	3- 3
$2.50 preferred (1956 series)	‡62½c	7- 2	6- 3
Northeastern Insurance (Conn.)	25c	2-16	2- 6
Northeastern Water Co., $2 pfd. (s-a)	$1	3- 2	2-16
$4 prior preferred (quar.)	$1	3- 2	2-16
Northern Indiana Public Service—			
Common (quar.)	50c	3-20	2-20
4.40% preferred (quar.)	44c	3-20	2-20
Northern Ohio Telephone (quar.)	40c	4- 1	3-13
Northern Oklahoma Gas (quar.)	25c	2-16	2- 3
Northern Quebec Power Co., Ltd.—			
Common (quar.)	‡40c	4-24	3-31
3.60% preferred (quar.)	‡$1.50	3-16	2-25
5½% preferred (quar.)	‡68c	3-16	2-25
Northwest Bancorporation, com. (increased)	82½c	3- 1	2- 9
4½% preferred (quar.)	$1.12½	3- 1	2- 9
Northwest Natural Gas, com. (quar.)	18c	2-15	2- 5
5.75% preferred (quar.)	$1.43¾	2-15	2- 5
Northwestern Public Service, common	25c	3- 2	2-14
4½% preferred (quar.)	$1.12½	3- 2	2-14
5¼% preferred (quar.)	$1.31¼	3- 2	2-14
Northwestern States Portland Cement—			
Quarterly	25c	4- 1	3-20
Stock dividend	5%	2-18	2-10
Norwich Pharmacal Co. (quar.)	35c	3-10	2-10
Oak Mfg. Co. (quar.)	25c	3-13	2-27
Ogilvie Flour Mills Ltd., 7% pfd. (quar.)	‡$1.75	3- 2	2- 2
Ohio Edison, 4.56% pfd. (quar.)	$1.14	3- 2	2-16
Ohio Power Co., 4.08% pfd. (quar.)	$1.02	3- 2	2- 9
4.20% preferred (quar.)	$1.05	3- 2	2- 9
4.40% preferred (quar.)	$1.10	3- 2	2- 9
4½% preferred (quar.)	$1.12½	3- 2	2- 9
Okanagan Telephone Co., common (s-a)	30c	3- 2	2- 6
40c preferred (s-a)	20c	3- 2	2- 6
Oklahoma Mississippi River Products Line, Inc. (quar.)	6¼c	3-16	2-13
Oklahoma Natural Gas—			
New common (initial quar.)	31c	2-16	1-30
4¾% preferred A	59⅜c	2-16	1-30
4.92% preferred B (quar.)	61½c	2-16	1-30
Olin Mathieson Chemical Corp. (quar.)	25c	3-10	2-13
One William Street Fund—			
(From ordinary income)	8c	2- 9	1-12
Ontario Steel Products Co., Ltd., com. (quar.)	‡25c	2-13	1-18
7% preferred (quar.)	‡$1.75	2-13	1-18
O'okiep Copper, Ltd. (Amer. shs.) (interim) (Approximately $1.39, less Union of South Africa tax deduction of 6.45%)	10s	3-13	3- 6
Opelika Mfg. (quar.)	20c	4- 1	3-16
Orange Rockland Utilities, Inc.—			
5.75% convertible preferred C (quar.)	$1.44	4-23	4-17
4% preferred D (quar.)	$1	4- 1	3-23
Outboard Marine Corp. (quar.)	20c	2-25	2- 2
Oxford Paper, $5 preferred (quar.)	$1.25	3- 1	2-13
Pacific Atlantic Canadian Investment, Ltd.	‡3c	3- 2	2-13
Pacific Far East Line, common (quar.)	15c	3- 1	2-13
5¼% conv. preferred (quar.)	$0.3281¼	3- 1	2-13
Pacific Finance Corp (quar.)	60c	3- 2	2-16
Pacific Gas & Electric, 6% pfd. (quar.)	37½c	2-14	1-30
5½% preferred (quar.)	37½c	2-14	1-30
5% preferred (quar.)	31¼c	2-14	1-30
4.80% preferred (quar.)	30c	2-14	1-30
4.50% preferred (quar.)	28⅛c	2-14	1-30
4.36% preferred (quar.)	27¼c	2-14	1-30
Pacific Lighting (quar.)	60c	2-16	1-20
Pacific Mills (quar.)	15c	3- 1	2- 6
Pacolet Mfg. (quar.)	$1.50	2-14	2- 7
Quarterly	$1.50	5-15	5- 8
Palestine Economic	$1	2-27	1- 2
Pall Corp. (quar.)	15c	2-13	1-30
Pan American World Airways (quar.)	20c	2-13	1-23
Panhandle Eastern Pipe Line, com. (quar.)	45c	3-16	2-27
4% preferred (quar.)	$1	4- 1	3-16
Papercraft Corp. (initial)	20c	2-27	1-30
Paramount Pictures (quar.)	50c	3-13	2-26
Park Chemical (quar.)	5c	2-13	1-30
Park Sheraton Corp. (quar.)	50c	3- 2	2-20
Special	$2	3- 2	2-20
Parkview Drugs, Inc. (Kansas City)—			
35c preference (quar.)	8¾c	2-16	2- 2
Paterson Parchment Paper (increased quar.)	10c	2-18	2- 4
Pearl Brewing (quar.)	30c	3- 2	2-14
Extra	5c	3- 2	2-14
Pembina Pipeline, Ltd.—			
5% 1st preferred (quar.)	‡62½c	3- 2	2-13
Pendleton Tool Industries (quar.)	22½c	2-14	2- 4
Penman's, Ltd., common (quar.)	‡45c	2-16	1-16
Penn Fruit Co., common (quar.)	8¾c	3-16	2-20
4.60% preferred (quar.)	57½c	3- 2	2-20
4.68% preferred (quar.)	58½c	3- 2	2-20
Penn-Texas $1.60 preferred (accum.)	40c	3-31	3-16
Pennsylvania Electric Co.—			
4.40% preferred (quar.)	$1.10	3- 1	2-10
3.70% preferred C (quar.)	92½c	3- 1	2-10
4.05% preferred D (quar.)	$1.02	3- 1	2-10
4.70% preferred E (quar.)	$1.17½	3- 1	2-10
4.50% preferred F (quar.)	$1.12½	3- 1	2-10
4.60% preferred G (quar.)	$1.15	3- 1	2-10
Pennsylvania Power Co.—			
4.24% preferred (quar.)	$1.06¼	3- 2	2-13
4.64% preferred (quar.)	$1.16	3- 2	2-13
Penobscot Chemical Fibre Co.—			
Voting common (increased)	30c	3- 2	2-14
Year-end	20c	3- 2	2-14
Non-voting common (increased)	30c	3- 2	2-14
Year-end	20c	3- 2	2-14
Peoples Credit Jewelers	‡15c	2-16	1-31
Extra	‡10c	2-16	1-31
Perfect Circle Corp. (quar.)	25c	3- 3	1-30
Perkins Machine & Gear, 7% pfd. (quar.)	$1.75	3- 2	2-20
Peter Paul Inc. (quar.)	50c	3-10	2-20
Petersburg & Hopewell Gas Co. (quar.)	25c	3- 2	2-11
Petrolite Corp.	50c	2- 9	2- 2
Pheoll Mfg. (quar.)	25c	3- 2	2-16
Phila.-Germantown & Norristown RR. (quar.)	$1.50	3- 4	2-20
Philadelphia Electric, com. (increased-quar.)	56c	3-31	3- 2
$1 preference common (quar.)	25c	3-31	3- 2
Philadelphia & Reading Corp. (quar.)	40c	2-27	2-13
Philadelphia Suburban Water, com. (quar.)	12½c	3- 2	2-10
$3.65 preferred (quar.)	91¼c	3- 2	2-10
5% preferred (quar.)	$1.25	3- 2	2-10
Phillips Petroleum (quar.)	42½c	3- 2	1-30
Photo Engravers & Electrotypers, Ltd—			
(Initial)	‡35c	3- 2	2-16
Pillsbury Co., common	62½c	3- 2	2- 5
$4 preferred (quar.)	$1	4-15	4- 1
Pioneer Finance—			
6% preferred (quar.)	15c	2-13	2- 2
Pittsburgh Coke & Chemical, com. (quar.)	25c	3- 2	2-17
$4.80 preferred (quar.)	$1.20	3- 2	2-17
$5 preferred (quar.)	$1.25	3- 2	2-17
5½% preferred (quar.)	$1.37½	3- 2	2- 6
5% preferred A (quar.)	$1.25	3- 2	2- 6
Pittsburgh, Youngstown & Ashtabula Ry. Co. Quarterly	$1.75	3- 2	2-20
Plymouth Rubber (quar.)	5c	2-16	1-28
Pope & Talbot, common (quar.)	25c	2-16	1-30
6% preferred (quar.)	7½c	2-16	1-30
Portsmouth Steel (quar.)	15c	2-16	1-30
Pogue (H. & S.) Co. (quar.)	15c	2-13	1-30

Name of Company	Per Share	When Payable	Holders of Rec.
Poor & Company (quar.)	37½c	3- 2	2-13
Potash Co. of America (quar.)	45c	3- 2	2-10
Potomac Electric Power, $2.46 pfd. (quar.)	61½c	3- 1	2- 5
$2.44 preferred (quar.)	61c	3- 1	2- 5
Powell River Co., Ltd. (quar.)	‡30c	3-16	2-13
Prentice-Hall, new (initial)	10c	3- 2	2-18
President Electric, Ltd.	‡2½c	2-27	1-27
Prince Gardner Co. (quar.)	25c	3- 1	2-16
Procter & Gamble (increased quar.)	55c	2-14	1-23
Providence Washington Insurance—			
$2 preferred (quar.)	50c	3-10	2-16
Public Service Co. of Colorado—			
Stock dividend on common	5%	2-20	1-14
4¼% preferred (quar.)	$1.06¼	3- 2	2-13
4.20% preferred (quar.)	$1.05	3- 2	2-13
4½% preferred (quar.)	$1.12½	3- 2	2-13
4.64% preferred (quar.)	$1.16	3- 2	2-13
Public Service Co. of New Mex., com. (quar.)	20c	2-16	2- 2
5% preferred (quar.)	$1.25	3-16	3- 2
Public Service Co. of New Hampshire—			
Common (quar.)	25c	2-14	1-30
4.35% preferred (quar.)	84c	2-14	1-30
4.50% preferred (quar.)	$1.12½	2-14	1-30
Puget Sound Power & Light Co. (quar.)	36c	2-15	1-26
Pure Oil Co. (quar.)	40c	3- 1	2- 5
Quaker State Oil Refining Corp. (quar.)	30c	3-16	2-16
Quebec Power Co. (increased)	‡40c	2-25	1-15
Racine Hydraulic & Machinery, Inc.—			
$1.20 preferred A (quar.)	30c	3-31	3-20
Radio Corp. of America,			
$3.50 1st preferred (quar.)	87½c	4- 1	3- 9
Ralston Purina Co.	30c	3-12	2-19
Raymond Corp. (quar.)	12½c	2-27	2-13
Stock dividend	4%	3-16	3- 2
Raymond International (quar.)	55c	2-16	1-28
Rayonier, Inc. (quar.)	10c	2-14	1-30
Reading Co., common (resumed)	25c	2-12	1- 8
4% non-cum. 1st pfd. (quar.)	50c	3-12	2-19
Reading Tube, $1.25 conv. pfd. (quar.)	31¼c	3- 2	2-16
Red Qwl Stores (quar.)	40c	2-16	1-30
Redondo Tile (quar.)	2½c	2-16	1-30
Refractory & Insulation (quar.)	15c	3-17	3- 3
Reichold Chemicals (quar.)	25c	2-16	1-23
Republic Industrial Corp. (quar.)	10c	2-16	1-30
Republic Pictures Corp., common	15c	2-16	1-15
Research Investing Corp.	8c	3- 2	1-23
Reserve Oil & Gas (stock dividend)	2%	2-23	2- 2
Revere Copper & Brass (quar.)	25c	2-28	2- 6
Rexall Drug Co. (quar.)	12½c	3- 2	2- 6
Stock dividend	3%	3- 6	2- 6
Reynolds (R. J.) Tobacco Co., com. (quar.)	$1	3- 5	2-14
Class B (quar.)	$1	3- 5	2-14
Rheem Manufacturing—			
4½% convertible preferred (quar.)	$1.12½	3- 2	2-10
Riegel Textile Corp., common (quar.)	15c	3-10	3- 2
$4 preferred A (quar.)	$1	3-16	3- 5
Richfield Oil Corp. (quar.)	75c	3-14	2-13
Riley Stoker Corp. (quar.)	40c	3-31	3-20
Roberts-Gordon Appliance Corp.	5c	12-31	12-22
Robinson Little & Co. Ltd. (quar.)	‡25c	2-28	2-14
Rochester Gas & Electric			
4% preferred series F (quar.)	$1	3- 2	2-13
4.10% preferred series H (quar.)	$1.02½	3- 2	2-13
4¾% preferred series I (quar.)	$1.18¾	3- 2	2-13
4.10% preferred series J (quar.)	$1.02½	3- 2	2-13
4.95% preferred series K (quar.)	$1.23¾	3- 2	2-13
Rochester Transit Corp. (quar.)	10c	3- 2	2-13
Rockwell Mfg. Co., new com. (initial quar.)	37½c	3- 5	2-20
Rockwell-Standard Corp. (quar.)	50c	3-10	2-16
Rohm & Haas Co., common (quar.)	50c	3- 1	2- 6
4% preferred (quar.)	$1	3- 1	2- 6
Rolland Paper, Ltd., cl. A (increased quar.)	‡25c	3- 2	2-16
Class B (increased-quar.)	‡15c	3- 2	2-16
4½% preferred (quar.)	‡$1.06¼	3-16	3- 2
Roxbury Carpet Co. (quar.)	25c	2-13	2- 2
Royal Oak Dairy, Ltd., class A (quar.)	‡15c	2-15	1-31
Class B (annual)	‡50c	2-15	1-31
Ruppert (Jacob), 4½% pfd. (quar.)	$1.12½	4- 1	3-10
Rutland & Whitehall RR.	75c	2-15	1-31
Ryan Aeronautical (quar.)	10c	3- 6	2-17
Ryder System, Inc. (quar.)	30c	2-16	1-19
S. & W. Fine Foods Inc., common	15c	2-13	1-30
Safeway Stores, Inc., com. (monthly)	10c	2-28	1-30
Common (monthly)	10c	3-31	2-27
4% preferred (quar.)	$1	4- 1	2-27
4.30% preferred (quar.)	$1.07½	4- 1	2-27
St. Croix Paper (quar.)	25c	2-16	2- 6
St. Joseph Light & Power, com. (quar.)	37½c	3-27	3- 6
5% preferred (quar.)	$1.25	4- 1	3-13
St. Regis Paper Co., common (quar.)	35c	3- 1	2- 6
Stock dividend	2%	4- 1	2- 6
$4.40 1st preferred series A (quar.)	$1.10	4- 1	3- 6
Salada-Shirriff-Horsey, Ltd. (increased)	‡18c	3-15	2-20
San Jose Water Works—			
Common (increased-quar.)	65c	3- 1	2- 6
4¾% preferred A (quar.)	29$\frac{11}{16}$c	3- 1	2- 6
4¾% preferred B (quar.)	29$\frac{11}{16}$c	3- 1	2- 6
4.70% preferred C (quar.)	29⅜c	3- 1	2- 6
4.70% preferred D (quar.)	29⅜c	3- 1	2- 6
5½% preferred E (quar.)	34⅜c	3- 1	2- 6
Savage Arms Corp. (quar.)	10c	2-27	2-13
Schenley Industries (quar.)	25c	2-10	1-20
Stock dividend	5%	2-10	1-20
Stock dividend	5%	5-11	4-20
Stock dividend	5%	8-10	7-20
Schering Corp., common (quar.)	30c	2-23	2- 6
Extra	5c	2-23	2- 6
5% preferred (quar.)	37½c	4-15	3-31
Schwitzer Corp.—			
5½% preferred (quar.)	27½c	5- 1	4-17
5½% preferred (quar.)	27½c	8- 1	7-17
Scott & Williams (quar.)	40c	3-13	2-27
Scotten-Dillon Co. (quar.)	35c	2-14	1-30
Scoville Mfg., $3.65 preferred (quar.)	91¼c	3- 1	2-11
Seaboard Finance, common (quar.)	25c	4-10	3-19
Stock dividend	2%	5-11	4- 9
$4.75 preferred (quar.)	$1.18¾	4-10	3-19
5% preferred A (quar.)	$1.25	4-10	3-19
5% preferred B (quar.)	$1.25	4-10	3-19
Seaboard Surety (quar.)	65c	3- 2	2-10
Sealright-Oswego-Falls (quar.)	35c	2-20	2- 6
Searle (G. D.) & Co. (quar.)	30c	2-20	2- 5
Securities Acceptance Corp., common	10c	4- 1	3-10
5% preferred (quar.)	31¼c	4- 1	3-10
Selected Risks Insurance—			
Stock dividend	11½%	4- 6	2-16
Servel, Inc., $4.50 pfd. (quar.)	$1.12½	4- 1	3-18
Shakespeare Co. (quar.)	30c	3- 6	2-18
Shawinigan Water & Power Co., com. (quar.)	‡17c	2-25	1-14
Class A (quar.)	‡33½c	2-13	1-19
Sheaffer (W. A.) Pen, class A (quar.)	15c	2-25	2- 2
Class B (quar.)	15c	2-25	2- 2
Shenango Valley Water Co., 5% pfd. (quar.)	$1.25	3- 2	2-14
Sheraton Corp. of America (quar.)	15c	5- 1	4- 2
Sherwin-Williams Co., common (quar.)	$1.25	2-16	1-30
4% preferred (quar.)	$1	3- 2	2-13
Shoe Corp. of America (quar.)	25c	3-14	2-25
Siegler Corp. (quar.)	10c	3- 2	2-16
Sierra Pacific Power Co.—			
$2.44 preferred A (quar.)	61c	3- 1	2-13
Signal Oil & Gas Co.—			
Class A (quar.)	20c	3-10	2- 9
Class B (quar.)	20c	3-10	2- 9
These above dividends also payable to the Hancock Oil Co. class A and class B shares which have been re-issued as class A and B stock of Signal Oil & Gas. Merger was effective on Dec. 31 on a share-for-share exchange basis.			
Signode Steel Strapping, common (quar.)	25c	3- 1	2-10
5% preferred (quar.)	62½c	3- 1	2-10
Silverwood Dairies, Ltd., class A (quar.)	‡15c	4- 1	2-27
Class B (quar.)	‡15c	4- 1	2-27
Silvray Lighting (quar.)	7½c	2-15	2- 6
Simmons Co. (quar.)	60c	3-12	2-20
Simon (H.) & Sons, Ltd., 5% pfd. (quar.)	‡$1.25	3- 4	2-20
Simpson's, Ltd. (quar.)	‡15c	3-16	2-16
Sinclair Oil Corp. (quar.)	75c	3-14	2-14
Singer Mfg. Co. (quar.)	55c	3-12	2-11
Sivyer Steel Castings Co.	25c	2-20	2- 9
Skelly Oil (quar.)	45c	3- 5	1-26
Skil Corp. (quar.)	30c	3-18	3- 3
Smith-Douglas Co. (quar.)	30c	2-20	2- 3
Smith & Wesson (s-a)	25c	2-11	1-27
Snap-On Tools (quar.)	30c	3-10	2-20
Socony Mobil Oil (quar.)	50c	3-10	1-30
South Bend Lathe Works (quar.)	40c	2-27	2-13
Southern California Edison Co.—			
4.08% preferred (quar.)	25½c	2-28	2- 5
4.24% preferred (quar.)	26½c	2-28	2- 5
4.78% preferred (quar.)	29⅞c	2-28	2- 5
4.88% preferred (quar.)	30½c	2-28	2- 5
Southern California Water, com. (quar.)	22½c	3- 2	2-16
5.44% preferred (quar.)	34c	3- 2	2-16
4¼% preferred (quar.)	$0.2656¼	3- 2	2-16
4% preferred (quar.)	25c	3- 2	2-16
Southern Canada Power Co., Ltd.—			
Common (quar.)	‡62½c	2-16	1-20
Southern Co. (increased)	32½c	3- 6	2- 2
Southern Natural Gas (quar.)	50c	3-13	3- 2
Southern Railway, common (quar.)	70c	3-13	2-13
5% non-cum preferred (quar.)	25c	3-13	2-13
5% non-cum preferred (quar.)	25c	6-15	5-15
5% non-cum preferred (quar.)	25c	9-15	8-14
Southwest Gas Corp., common	15c	3- 2	2-16
$1.20 conv. prior preferred (quar.)	30c	3- 2	2-16
Southwestern Drug Corp., common (quar.)	50c	2-16	1-30
Southwestern Electric Service, com. (quar.)	16c	3-14	3- 3
Southwestern Investors	10c	2-13	1-31
Southwestern Life Insurance (Dallas)—			
Quarterly	45c	4-10	4- 1
Southwestern Public Service, com. (quar.)	37c	3- 1	2-13
4.60% preferred (quar.)	$1.15	5- 1	4-20
4.40% preferred ($100 par) (quar.)	$1.10	5- 1	4-20
4.40% preferred ($25 par) (quar.)	27½c	5- 1	4-20
4.36% preferred (quar.)	27¼c	5- 1	4-20
4.15% preferred (quar.)	$1.03¾	5- 1	4-20
3.90% preferred (quar.)	97½c	5- 1	4-20
3.70% preferred (quar.)	92½c	5- 1	4-20
Spencer Kellogg & Sons (quar.)	20c	3-10	2- 6
Sprague Engineering Corp. (quar.)	10c	2-13	2- 5
Spencer Chemical, common (quar.)	60c	3- 1	2-10
4.20% preferred (quar.)	$1.05	3- 1	2-10
Sperry Rand Corp., common (quar.)	20c	3-26	2-11
4½% preferred (quar.)	$1.12½	4- 1	2-11
Stamford Water Co. (quar.)	45c	2-16	1-31
Standard Brands, common (quar.)	65c	3-16	2-16
$3.50 preferred (quar.)	87½c	3-16	3- 2
Standard Dredging Corp.,			
$1.60 convertible preferred (quar.)	40c	3- 2	2-20
Standard Forgings (quar.)	10c	2-27	2-13
Standard Paving & Materials, Ltd.—			
(Increased quar.)	50c	4- 1	3-12
Standard Oil Co. of New Jersey	55c	3-10	2- 9
Standard Packaging, $1.20 pfd. (quar.)	30c	3- 2	2-16
$1.60 preferred (quar.)	40c	3- 2	2-16
Stanley Warner Corp. (quar.)	25c	2-25	2-10
Statler Hotels, Delaware Corp.	30c	3- 2	2-16
Stauffer Chemical (quar.)	45c	3- 2	2-13
Stein (A.) & Co. (quar.)	25c	2-14	1-30
Steinberg's, Ltd., 5¼% preferred (quar.)	‡$1.31	2-15	1-23
Sterchi Bros. (quar.)	25c	3-10	2-24
Sterling Brewers (quar.)	25c	3-10	2-17
Sterling Precision Corp.—			
5% preferred A (quar.)	12½c	3- 1	2-13
5% preferred C (quar.)	121½c	3- 1	2-13
Stern & Stern Textiles,			
4½% preferred (quar.)	56c	4- 1	3-11
Stetson (John B.)	15c	4- 1	3-16
Stewart-Warner (quar.)	50c	3- 7	2-13
Stix, Baer & Fuller Co., com. (quar.)	30c	3-10	2-27
7% 1st preferred (quar.)	43¾c	3-31	3-16
Stonega Coke & Coal Co. (quar.)	25c	3- 2	2-13
Stouffer Corp. (stock dividend)	4%	2-27	2- 6
Struthers Wells Corp., com. (reduced)	25c	2-13	1-30
$1.25 preferred (quar.)	31¼c	2-13	1-30
Suburban Propane Gas, common (quar.)	25c	2-16	2- 2
5.20% preferred (quar.)	65c	3- 1	2-16
Sun Life Assurance (Canada) (quar.)	‡$1.25	4- 1	3-16
Sun Oil Co. (quar.)	25c	3-10	2-10
Sunray Mid-Continental Oil Co., com. (quar.)	33c	3-16	2- 5
4½% preferred A (quar.)	28⅛c	3- 1	2- 5
5½% preferred (quar.)	41¼c	3- 1	2- 5
Sunshine Biscuits (increased)	$1.10	3- 6	2- 6
Supercrete, Ltd. (stock div.)	2%	2-20	2- 2
Sutherland Paper (quar.)	50c	3-14	2-13
Symington Wayne Corp. (quar.)	15c	4-15	4- 1
Syracuse Transit Corp. (quar.)	50c	3- 2	2-16
Talon, Inc., class A common (quar.)	25c	2-14	1-21
Class B common (quar.)	25c	2-14	1-21
Tampa Electric, common (quar.)	30c	2-15	2- 2
4.32% preferred (quar.)	$1.08	2-15	2- 2
4.16% preferred (quar.)	$1.04	2-15	2- 2
5.10% preferred (quar.)	$1.27½	2-15	2- 2
Taylor, Pearson & Carson (Canada), Ltd.—			
5% convertible preferred (quar.)	‡12½c	2-13	1-30
Television-Electronics Fund, Inc.	8c	2-28	2- 2
Tennessee Gas Transmission, com. (quar.)	35c	3-17	2-19
4.10% preferred (quar.)	$1.02½	4- 1	3- 6
4.25% preferred (quar.)	$1.06¼	4- 1	3- 6
4.50% preferred (quar.)	$1.12½	4- 1	3- 6
4.60% preferred (quar.)	$1.15	4- 1	3- 6
4.64% preferred (quar.)	$1.16	4- 1	3- 6
4.65% preferred (quar.)	$1.16¼	4- 1	3- 6
4.90% preferred (quar.)	$1.22½	4- 1	3- 6
5% preferred (quar.)	$1.25	4- 1	3- 6
5.10% preferred (quar.)	$1.27½	4- 1	3- 6
5.12% preferred (quar.)	$1.28	4- 1	3- 6
5.16% preferred (quar.)	$1.29	4- 1	3- 6
5.25% preferred (quar.)	$1.31¼	4- 1	3- 6
Texas Company (increased-quar.)	60c	3-10	2- 6
Texas Eastern Transmission, com. (quar.)	35c	3- 1	2- 6
4.50% preferred (quar.)	$1.12½	3- 1	2- 6
4.75% preferred (quar.)	$1.18¾	3- 1	2- 6
5% preferred (quar.)	$1.25	3- 1	2- 6
5.50% 1st preferred (quar.)	$1.37½	3- 1	2- 6
5.75% preferred (quar.)	$1.43¾	3- 1	2- 6
5.85% preferred (quar.)	$1.46¼	3- 1	2- 6
5.80% preferred (quar.)	$1.45	3- 1	2- 6
5.35% preferred (quar.)	$1.33¾	3- 1	2- 6
6.70% preferred (quar.)	$1.67½	3- 1	2- 6
Texas Illinois Natural Gas Pipeline—			
common (quar.)	30c	3-15	2-16
Texas Industries Inc., com. (quar.)	7½c	2-13	1-30
Texas Pacific Coal & Oil (quar.)	25c	3- 5	2-11
Thompson (John R.) Co. (quar.)	25c	2-16	2- 2
Thriftimart, Inc., class A (quar.)	30c	3- 1	2-10
Class B (quar.)	30c	3- 1	2-10
Class A & B (stock dividend) Payable in class A shares)	5%	4-10	2-10
Thrifty Stores, new com. (initial-quar.)	15c	2-28	2-10
Title Guarantee & Trust (quar.)	32½c	2-13	1-30
Tobacco Securities Trust Co., Ltd.—			
Ordinary Registeres (final)	17½%	2- 9	1- 7
Deferred Registeres (final)	45.7%	2- 9	1- 7
Tobin Packing (quar.)	20c	4- 1	3-12
Tokheim Corp. (reduced)	25c	2-27	2-13
Toledo Edison Co.—			
4.25% preferred (quar.)	$1.06¼	3- 2	2-13
4.56% preferred (quar.)	$1.14	3- 2	2-13
Toledo Scale (quar.)	25c	2-27	2-13
Toronto Elevators, Ltd. (quar.)	‡25c	3- 2	2-12
Tower Acceptance Corp., class A	8c	2-15	2- 5
Tractor Supply, class A (initial)	21c	3- 2	2-18
Trade Bank & Trust (N. Y. C.) (quar.)	20c	2-17	2- 2
Stock dividend	10%	2-17	2- 2
Travelers Insurance (increased)	30c	3-10	1-30
Triangle Conduit & Cable Co. (Del.)—			
(Increased)	35c	3-10	2-16
Trico Oil & Gas (quar.)	10c	2-16	2- 2
Truax-Traer Coal (quar.)	40c	3-10	2-27
$2.80 preferred (quar.)	70c	3-10	2-27
True Temper Corp. (quar.)	30c	3-13	2-27
Trunkline Gas, $5 preferred A (quar.)	$1.25	3-15	2-27
Tung Sol Electric Inc., common (quar.)	35c	3- 2	2-11
5% conv. preferred series 1957	62½c	3- 2	2-11
Twentieth-Century Fox Film (quar.)	40c	3-28	3-13
208 South La Salle St. (quar.)	62½c	5- 1	4-17
Twin Disc Clutch (quar.)	$1	3-10	2-20
Tyer Rubber (quar.)	10c	2-16	2- 2
Union Electric Co.—			
$3.50 preferred (quar.)	87½c	2-16	1-20
$3.70 preferred (quar.)	92½c	2-16	1-20
$4 preferred (quar.)	$1	2-16	1-20
$4.50 preferred (quar.)	$1.12½	2-16	1-20
Union Carbide Corp. (quar.)	90c	3- 2	2- 6
Union Gas System, common (quar.)	38c	3- 1	2-14
5% preferred (quar.)	$1.25	3- 1	2-14
Union Oil Co. of Calif. (quar.)	25c	2-10	1- 9
Stock dividend	4%	3-11	2- 6
Union Tank Car (quar.)	40c	3- 2	2- 9
United Air Lines Inc. (quar.)	12½c	3-16	2-13
United Biscuit Co. of America, com. (quar.)	30c	3- 2	2-11
$4.50 preferred (quar.)	$1.12½	4-15	4- 2
United Corporations, Ltd., class A (quar.)	‡38c	2-14	1-30
Class B (quar.)	‡15c	2-28	1-30
United Elastic Corp. (stock dividend)	25%	2-10	1-20
United Electric Coal (quar.)	40c	3-10	2-24
United Engineering & Foundry, com. (quar.)	25c	2-24	2-10
7% preferred (quar.)	$1.75	2-24	2-10
United Gas Improvement, common (quar.)	55c	3-31	2-27
4¼% preferred (quar.)	$1.06¼	4- 1	2-27
United Illuminating Co.	32½c	4- 1	3-13
United Insurance Co. of America—			
New common (initial quar.)	17c	3- 2	2-23
Stock div. (subject to approval of stockholders Feb. 17)	50%	3- 2	2-23
United Keno Mines, Ltd.	‡6c	4-20	3-20
United New Jersey RR. & Canal (quar.)	$2.50	4-10	3-20
U. S. Borax & Chemical, 4½% pfd. (quar.)	$1.12½	3- 1	2-13
U. S. Lines Co., common (quar.)	50c	3- 6	2-13
4½% preferred (s-a)	22½c	7- 1	6-12
U. S. Pipe & Foundry (quar.)	30c	3-16	3- 2
U. S. Playing Card (increased)	$2	4- 1	3-11
U. S. Steel common (quar.)	75c	3-10	2- 6
7% preferred (quar.)	$1.75	2-20	2- 3
U. S. Vitamin Corp., name changed to U. S. Vitamin & Pharmaceutical Corp., new common (initial quar.)	15c	2-14	1-30
United Whelan Corp., com. (increased-quar.)	7½c	2-28	2-14
Common (quar.)	7½c	5-29	5-15
Common (quar.)	7½c	8-31	8-15
Common (quar.)	7½c	11-30	11-13
$3.50 preferred (quar.)	87½c	5- 1	4-15
$3.50 preferred (quar.)	87½c	8- 1	7-15
$3.50 preferred (quar.)	87½c	11- 1	10-15
$3.50 preferred (quar.)	87½c	2-1-60	1-15
Universal Consolidated Oil (quar.)	65c	2-27	2-13
Valley Mould & Iron Corp., com. (quar.)	75c	3- 1	2-20
$5.50 prior pref. (quar.)	$1.37½	3- 1	2-20
Value Line Fund, Inc. (from capital gains)	27c	2-17	1-30
Value Line Income Fund, Inc.—			
(8c from inc. and 2c from capital gains)	10c	2-17	1-30
Value Line Special Situations Fund, Inc.—			
(From income)	3c	2-17	1-30
Van Raalte Co. (quar.)	50c	3- 2	2-16
Van Waters & Rogers (quar.)	20c	3-29	2-28
Stock dividend	4%	3-27	4- 6
Vanadium-Alloys Steel (quar.)	40c	3- 2	2- 6
Vanadium Corp. of America (quar.)	25c	2-10	1-30
Vanderbilt Mutual Fund	$.052	2-16	1-15
Vicksburg, Shreveport & Pacific Ry. Co.—			
Common (s-a)	$2.50	4- 1	3- 2
5% preferred (s-a)	$2.50	4- 1	3- 2
Victoria & Grey Trust Co. (quar.)	‡30c	3-16	2-27
Virginia Railway—			
6% preferred (quar.)	15c	5- 1	4-16
6% preferred (quar.)	15c	8- 1	7-17
Virginia Coal & Iron (quar.)	$1.25	3- 2	2-13
Viceroy Mfg. Ltd., 50c class A (quar.)	‡12½c	3-16	2-28
Vogt Mfg. Corp. (resumed)	10c	3- 2	2-16
Vulcan Corp.	20c	2-14	1-31
Vulcan Materials, common (quar.)	12½c	3-20	2-27
5% preferred (quar.)	20c	3-20	2-27
5¾% preferred (quar.)	$1.43¾	3-20	2-27
6½% preferred (quar.)	$1.56¼	3-20	2-27
Wagner Electric Corp. (quar.)	50c	3-18	3- 4
Walker & Co., common (quar.)	25c	2-20	2- 3
Class A (quar.)	62½c	4- 1	3- 6
Wallace & Tiernan, Inc.—			
Stock dividend	2%	2-13	1-23
Walworth Co. (stock div.)	2%	2-20	2- 2
Ward Industries Corp., $1.25 pfd. A (quar.)	31¼c	3- 1	2-15
Warner & Lambert Pharmaceutical Co.—			
Common (quar.)	62½c	3-10	2-24
$4.50 preferred (quar.)	$1.12½	4- 1	3-31
Warner & Swasey Co. (quar.)	20c	2-25	2- 4
Warren (S. D.) common (quar.)	35c	3- 2	2- 6
$4.50 preferred (quar.)	$1.12	3- 2	2- 6
Warren Bros. (stock dividend)	5%	2-26	2-13
Extra cash dividend	40c	2-26	2-13
Washington Mutual Investors Fund, Inc.—			
(Quarterly from investment income)	8c	3- 1	1-31
Washington Steel Corp., com. (quar.)	25c	2-16	2- 2
4.80% conv. preferred (quar.)	60c	2-16	2- 2
Washington Water Power (quar.)	50c	3-13	2-23
Wesson Oil & Snowdrift, 4.80% pfd. (quar.)	60c	3- 2	2-13
West Point Mfg. Co. (quar.)	20c	2-14	2- 1
West Virginia Pulp & Paper—			
4½% preferred (quar.)	$1.12½	2-15	2- 2
Western Canada Breweries, Ltd. (quar.)	‡30	3- 2	1-31
Western Pacific Ry. (quar.)	75c	2-16	2- 2
Western Stockholders' Investment Trust, Ltd.			
Amer. dep. receipts for ordinary (final)	9%	4-13	2- 6
Western Tablet & Stationery—			
5% preferred (quar.)	$1.25	4- 1	3-10
Westinghouse Electric, common (quar.)	50c	3- 2	2- 9
3.80% preferred B (quar.)	95c	3- 2	2- 9
Westmoreland, Inc. (quar.)	30c	4- 1	3-13
Whitaker Paper Co. (quar.)	50c	4- 1	3-20
Extra	40c	4- 1	3-20
White Pass & Yukon, Ltd. (initial)	‡10c	3-15	1-16

Name of Company	*Per Share*	*When Payable*	*Holders of Rec.*
White Stores (increased)	20c	2-15	1-23
White (S. S.) Dental Mfg. (quar.)	40c	2-17	2- 2
Wickes Corp. (quar.)	15c	3-10	2-13
Wilcox Oil Co. (quar.)	25c	2-20	1-30
Williams Bros. (quar.)	18¾c	3-20	3-10
Wilson & Co., common (quar.)	35c	5- 1	4-10
Common (quar.)	35c	8- 1	7-10
Common (quar.)	35c	11- 1	10- 9
$4.25 preferred (quar.)	$1.06¼	4- 1	3-10
Winn-Dixie Stores (monthly)	9c	2-28	2-13
Monthly	9c	3-31	3-13
Wisconsin Bankshares	32½c	2-13	1-30
Wisconsin Electric Power Co., com. (quar.)	42½c	3- 1	2- 2
6% preferred (1987) (quar.)	$1.50	4-30	4-15
3.60% preferred (quar.)	90c	3- 1	2-13
Wisconsin Power & Light (quar.)	34c	2-14	1-31
Wood Newspaper Machinery Corp. (quar.)	22½c	3-10	2-27
Woolworth (F. W.) Co. (quar.)	62½c	3- 3	2- 3
Woolworth (F. W.), Ltd.—			
American deposit receipts	10c	3-17	1-26
Worthington Corp., common	62½c	3-20	3- 2
4½% preferred (quar.)	$1.12½	3-16	3- 2
Wrigley (Wm. Jr.) (Monthly)	25c	3- 2	2-20
Monthly	25c	4- 1	3-20
Wurlitzer Co. (quar.)	10c	3- 1	2-13
Stock dividend	3%	3-16	2-13
Wyandotte Chemicals (quar.)	25c	3-10	2-25
Wyandotte Worsted (reduced)	10c	2-27	2-13
Wysong & Miles Co. (quar.)	15c	2-16	1-31
Yale & Towne Mfg. (quar.)	37½c	4- 2	3-12
Yellow Cab Co.—			
6% convertible preferred (quar.)	37½c	4-30	4- 9
6% convertible preferred (quar.)	37½c	7-31	4- 9
York County Gas (quar.)	65c	2- 2	1-15
Youngstown Sheet & Tube (quar.)	$1.25	3-16	2-16
Zenith Radio (increased)	75c	3-31	3-13

* Transfer books not closed for this dividend.
‡ Payable in Canadian funds, tax deductible at the source. Non-resident tax 15%; resident tax 7%.
a Less British income tax.
y Previously published date was incorrect. The corrected payment date and/or record date is indicated here.
x Less Jamaica income tax.
† Payable in U. S. funds, less 15% Canadian nonresidents tax

General Corporation and Investment News

(Continued from page 9)

Sun Oil Co.—1958 Earnings Declined—

Consolidated net income of this company and its subsidiaries last year totaled $32,061,000, Joseph N. Pew, Jr., Board Chairman, announced on Feb. 2.

This figure compares with the consolidated net income of $47,492,000 in 1957.

The 1958 figure includes $4,200,000 of Federal income tax refundable to the company under the carry-back provisions of the Internal Revenue Code.

Earnings of the consolidated group for 1958 resulted from gross income of $724,032,000 as contrasted with $778,719,000 in the preceding year.

The net earnings in 1958 are equivalent to $2.73 per share on the 11,739,234 full shares of common stock outstanding on Dec. 31, 1958. These figures compare with $4.17 per share earned in 1957 on the 11,397,367 full shares outstanding at the end of that year.—V. 189, p. 154.

Sun Ray Drug Co.—Merger Approved—

The stockholders of this company and Consolidated Retail Stores, Inc. on Jan. 28 approved the merger of Sun Ray into Consolidated under Consolidated Sun Ray, Inc.

Sun Ray has 506,880 shares outstanding, while Consolidated has 1,036,618 common shares outstanding.

Sun Ray holders will receive eight shares of new Consolidated common for each share of Sun Ray. This will give them 78.9% ownership of the 5,585,583 shares outstanding in the merged corporation, according to the proxy statement. The merger became effective Feb. 2, the start of the company's new fiscal year.

Harry S. Sylk, President of Sun Ray, will be Chairman of the new Consolidated Retail Stores, and William H. Sylk, Sun Ray Executive Vice-President, will be President. Russell N. Levin, President of Consolidated will become Executive Vice-President.—V. 189, p. 154.

Super Food Services, Inc.—Acquisition, etc.—

William H. Tegtmeyer, President, in a letter to stockholders on Jan 26 reported the results of the company's recent public financing in connection with the purchase of common and preferred stocks of The F. N. Johnson Co.

Capitalization of the company now consists of:

Bank loan from the City National Bank and Trust Co. of Chicago	$875,830
Class A capital stock (old) callable after Dec. 31, 1959 at $7.50 and convertible into common. Annual dividend 30 cents per share	402 shs.
Preferred stock 1st series, selling price $20, $22 call price, annual dividend $1.20 per share	110,000 shs.
Common stock	175,632 shs.
Warrants 1st series, entitling holder to purchase common stock at various prices and specifically at $2.50 per share until Dec. 31, 1960	116,287

The company offered for sale 110,000 shares of preferred stock, first series with warrants first series at $20 per unit on Dec. 10, 1958. All of the stock was sold on the offering day.

In accordance with the exchange offer, over 99% of the 42,356 class A capital shares, or 41,954 shares were exchanged for new common stock plus 6,287 warrants as set forth in said prospectus.

To date the following shares of stock in The F. N. Johnson Co. have been purchased by Super Food Services, Inc.:

	Issued Shares	Purchased Shares	% Purchase To Issued
Preferred ($100)	4,000	3,600	90.0%
Common ($15)	175,000	168,997	96.5%

Mr. Tegtmeyer also on Jan. 28 announced that The F. N. Johnson Co., its newly acquired subsidiary corporation, completed its fiscal 53-week year Jan. 3, 1959 with total sales for the year $35,537,246 as compared with total sales for the preceding fiscal year of $25,415,151, an increase of 40%.

He further stated that The F. N. Johnson Co. had substantially completed and recently moved into its new warehouse addition doubling its warehouse capacity and had installed a new, modern IBM inventory control system and an internal radio communication system to control and handle receipts and deliveries of merchandise through the expanded warehouse operation.—V. 188, p. 2511.

Sylvania Electric Products, Inc.—Tenders for Debs.—

The Guaranty Trust Co. of New York, 140 Broadway, New York, N. Y., will until 3:30 p.m. (EST) on Feb. 24, 1959, receive tenders for the sale to it of 4¾% sinking fund debentures, due March 1, 1980, to an amount sufficient to exhaust the sum of $500,000, at prices not to exceed 100% plus accrued interest.

The corporation also announced a call for redemption on March 6 of its 4½% convertible subordinated debentures, due in 1983, at 104¾% plus accrued interest. Holders will have the right to convert debentures into common stock at $41.40 a share up to the close of business on the redemption date. Payment will be made at the Irving Trust Co., trustee, One Wall Street, New York at $61.50 per share.—V. 189, p. 154.

(James) Talcott, Inc.—Registers With SEC—

This corporation filed a registration statement on Feb. 4 with the Securities and Exchange Commission covering 150,000 shares of $9 par value common stock.

The company proposes to offer the stock publicly, and a group headed by F. Eberstadt & Co. and White, Weld & Co. will underwrite the offering.

Net proceeds from the sale of the new stock will be used for general corporate purposes.—V. 189, p. 645.

Tennessee Gas Transmission Co.—Secondary Placed Privately—Arrangements for the private placement of 42,210 shares of 5% cumulative convertible second preferred stock (par $100) with institutional investors have been made by E. F. Hutton & Co., it was announced on Feb. 3.

The net proceeds will not accrue to the company, but will go to selling stockholders.

To Redeem Preferred Stock—

Directors of the company authorized Gardiner Symonds, Chairman and chief executive officer, to redeem all 188,317 shares ($18,831,700), of the company's 5.16% convertible second preferred stock on March 6 at $105 a share plus accrued dividends. The shares will be redeemed at The Chase Manhattan Bank, 43 Exchange Place, New York, N. Y.

Each share the 5.16% preferred is convertible into 3.4 shares of the common at any time before the close of business on the tenth day preceding redemption, which would be Feb. 24 under the present redemption proposal.

The company has entered into a Standby Agreement with Stone & Webster Securities Corp., and White, Weld & Co., and certain other securities dealers under which the purchasers have agreed to purchase all shares of the 5.16% stock tendered to them at the office of The Chase Manhattan Bank, 37 Wall St., New York 15, N. Y., at any time prior to the close of business on Feb. 24, 1959 at a price equal to $106.43 per share flat, less the requisite Federal and New York State transfer taxes. This price is higher than that payable by the company upon redemption as described above. The purchasers have agreed to convert into common stock all shares of 5.16% stock so purchased by them, and the company has agreed to pay the purchasers compensation for their undertaking.—V. 189, p. 154.

Texas Industries, Inc.—Acquisition—

See Dallas Lightweight Aggregates Co. above.—V. 189, p. 645.

Textron American, Inc.—Tenders for Debentures—

See Textron, Inc. below.—V. 188, p. 1970.

Textron, Inc.—Tenders for Debentures—

The Old Colony Trust Co., 45 Milk Street, Boston 6, Mass., up to the close of business on Feb. 16, 1958, will receive tenders for the sale of 15-year 5% subordinated sinking fund debentures due Feb. 1, 1970 of Textron American, Inc. to an amount sufficient to exhaust the sum of $427,879 at prices not to exceed 100% and accrued interest.

On or before Feb. 18, 1959, the trust company will mail notices of acceptance of any tenders accepted. Payments of accepted debentures will be made on and after Feb. 24 upon receipt of the debentures. Interest on accepted debentures will cease Feb. 23, 1959.

A total of $453,225 principal amount of debentures were purchased for cancellation in connection with the previous sinking fund payment due Nov. 15, 1958.—V. 188, p. 2186.

Thomas & Betts Co., Elizabeth, N. J.—Registers With Securities and Exchange Commission—

The company whose plant facilities and executive offices are located in Elizabeth, N. J., on Feb. 5 filed with the Securities and Exchange Commission a registration statement relating to a proposed secondary offering of 300,000 shares of common stock. The shares, representing approximately 20% of the shares outstanding, are to be sold by certain large stockholders, primarily to create a public market. The company will receive no part of the proceeds from the sale of these shares. Smith, Barney & Co. will manage the underwriting group which expects to offer these shares about Feb. 25.

The company is a leading manufacturer of a broad line of electrical raceway accessories and conductor connectors of basic use in virtually all phases of the electrical industry.—V. 181, p. 689.

(H. I.) Thompson Fiber Glass Co.—Earnings Increased

This company on Jan. 14 reported sales for the fiscal year ended Oct. 31, 1958 of $6,857,679, a 12% increase over sales in the previous year of $6,106,331.

Net earnings, after provision for Federal income taxes, were $649,467, compared with $614,720 in the previous 12 months. Per share earnings were $1.02, compared with 97 cents a year ago based on 638,152 shares outstanding and after giving effect to a 50% stock dividend Oct. 15, 1958.

Harry I. Thompson, President, said that improved sales and earnings were accomplished despite cancellations, cutbacks and stretch-outs during 1958 which adversely affected many companies.

"Any such decline was more than offset by increased sales of HITCO high temperature products," he said. He emphasized that the improved markets for these products is particularly significant in that they are important elements in the company's outlook for future expansion.

At the close of the fiscal year, the company reported current assets of $2,912,889 with current liabilities of $1,050,106, reflecting a current assets to liabilities ratio of 2.8 to 1. Working capital was $1,862,783 and shareholders equity rose to $2,525,294.

The company also reported the acquisition during 1958 of Blackwood's, Inc. of Los Angeles, Calif., engaged in the sale of laminates, resins, fibrous glass and related products. Mr. Thompson said the acquisition of Blackwood's tends to complement the bulk sales activity of the company.

The company also reported the licensing of Owens-Corning Fiberglas Corp. to use certain of the developments made by the company in the field of high temperature fibrous glass materials. The agreement was made on a royalty basis of Refrasil products made and sold by Owens-Corning, according to Mr. Thompson.—V. 189, p. 90.

(August) Thyssen-Huette A. G.—Output Rises—

The August Thyssen-Huette Group of Duisburg-Hamborn has not escaped untouched from the recent international recession which has especially adversely affected the iron and steel industry, although the prominent German steelmaker reports substantial progress for the 1957-58 business year, which ended Sept. 30.

Combined crude steel production of the Thyssen Group, consisting of August Thyssen-Huette and its associate companies, Niederrheinische Huette and Deutsche Edelstahlwerke, reached 2.7 million metric tons, marking an 8% increase over the preceding year. Gross sales, exclusive of inter-company sales, totaled $423 million.

Of these totals, August Thyssen-Huette, major component of the Group, produced 2,041,000 tons of crude steel, a 13.4% rise over the previous year, and reported gross sales of $232 million, a 16% increase over the preceding year. As a result, the Thyssen-Huette board of directors will recommend to the next annual meeting, payment of a 9% cash dividend, the same as in the preceding year.

Despite the late fiscal year slackening in business activity, Thyssen-Huette's extensive capital investment program, emphasizing higher operational efficiency of the production set-up and the purchase of more modern equipment, which has already totaled over $200 million in the past six years, was continued according to schedule. Early in the period, operations of the newly constructed fourth 250-ton open hearth furnace was initiated in Open Hearth Plant No. 1, completed in 1957. In addition, the expansion and modernization of the soaking pit plant was completed and major headway was made in the construction of an eighth blast furnace. This project is expected to be completed early this year.

The preliminary report further revealed that Thyssen-Huette's basic capital was increased by $5 million to $74 million because of an exchange of stock with Deutsche Edelstahlwerke (DEW). (The Thyssen concern now owns 94% of DEW capital stock.)—V. 188, p. 599.

Time Finance Corp.—Partial Redemption—

The corporation has called for redemption on Feb. 27, next, through operation of the sinking fund, 3,446 shares of its 50 cent convertible preferred stock at $7 per share, plus accrued interest.

The preferred stock may be converted into class A common stock to Feb. 26, 1959, inclusive.—V. 188, p. 291.

Titeflex, Inc.—Issues New Catalog—

An illustrated 20-page catalog, in color, describing the extensive line of Quick-Seal couplings for hydraulic and pneumatic applications has been issued by Titeflex, Inc., Springfield, Mass., and Santa Monica, California.

The new bulletin, No. Q.S.R. 58, discusses all three types of Titeflex Quick-Seal couplings—straight-through, single check-valve, and double check-valve, which are available in a variety of sizes and alloys to meet any operating requirement. Quick-Seal couplings are designed to handle chemicals, oils, greases, gases, liquids or any material that will flow through a line.—V. 188, p. 2690.

Toledo Edison Co.—Partial Redemption—

The company has called for redemption on March 1, next, through operation of the sinking fund, $50,000 of its first mortgage bonds, 3⅛% series due 1978 at 101.85% plus accrued interest. Payment will be made at The Chase Manhattan Bank, 43 Exchange Place, New York 15, N. Y.—V. 188, p. 995.

Tucson Gas, Electric Light & Power Co.—Secondary Offering—A secondary offering of 3,000 shares of common stock (par $5) was made on Jan. 20 by Blyth & Co., Inc., at $33.25 per share, with a dealer's concession of 70 cents per share. The unsold balance was withdrawn the following day.

Another secondary offering of 9,000 shares of common stock (par $5) was made on Feb. 4 by The First Boston Corp. and associates at $30.75 per share, with a dealer's concession of 65 cents per share. The unsold balance was later withdrawn.—V. 188, p. 2787.

Twentieth Century Investors, Inc., Kansas City, Mo.—Sales—Assets—

This corporation which initially offered two classes of investment shares to the public Oct. 31, free of sales charge, on Jan. 30 reported that sales exceeded $400,000 and that the face amount of its plan accounts exceeded $6,500,000.

Stowers & Co., principal underwriters, offered Twentieth Century Income Investors, which is designed primarily for current cash dividends, and Twentieth Century Growth Investors, which has as its major objective—capital growth.

Total assets Dec. 31 were $405,204. The Income Investors had assets of $123,392; Growth Investors, $281,812. There were 24,883 shares of Income Investors outstanding; 56,471 shares of Growth Investors.

Net asset value per share of the Income Investors was $4.96; Growth Investors, $4.99 a share.—V. 188, p. 1970.

Tyrex Drug & Chemical Corp.—SEC Orders Cite Security Firms—

The Securities and Exchange Commission has ordered proceedings under the Securities Exchange Act of 1934 to determine whether provisions of the Federal Securities Laws and rules thereunder have been violated by the following and, if so, whether it is necessary or appropriate in the public interest to revoke their broker-dealer registrations: Dennis Securities Corp., 94 River St., Hoboken, N. J.; and N. Pinsker & Co., Inc., 156 North Franklin St., Hempstead, N. Y.

According to the orders of the Commission, information developed in an investigation conducted by its staff tends, if true, to show that the two respondent companies offered and sold class B stock of Tyrex Drug & Chemical Corp. in violation of the registration and prospectus requirements of the Securities Act of 1933. Similar violations are charged to Anne Egenes, C. Edward Scott, and Ivor Jenkins, President, Vice-President and Secretary-Treasurer, respectively, of Dennis Securities, as well as to Norman Pinsker, President, Natalya Pinsker, Secretary-Treasurer, and Bradford O. Smith and Samuel Shatz, directors, of Pinsker & Co. The sale of the Tyrex Drug class B stock by Dennis Securities is said to have occurred during the period July 5, 1957, to April 28, 1958, and by Pinsker & Co. during the period Dec. 2, 1957, to Feb. 28, 1958.

Moreover, according to the order with respect to Dennis Securities, it further appears that that company was in a control relationship with Tyrex Drug at the time the latter's class B stock was being offered and sold by Dennis Securities; and that such fact was not disclosed to purchasers of Tyrex Drug stock by Dennis Securities or its three named officers, as is required by the Commission's rules; that Dennis Securities failed to make and keep current and to preserve certain books and records, as required by the Commission's rules; and that it failed to cancel or otherwise liquidate stock purchases by customers notwithstanding the failure of such customers to make full cash payment therefor within seven days after the date of purchase, as required by Regulation T of the Board of Governors of the Federal Reserve System.

The time and place of the hearings for the purpose of taking evidence with respect to the foregoing matters will be announced later.—V. 185, p. 386.

Union Pacific RR.—Earnings—

Period End. Dec. 31—	1958—Month	—1957	1958—12 Mos.	—1957
	$	$	$	$
Railway oper. revenue	44,618,931	42,197,295	505,215,191	517,060,102
Railway oper. expenses	32,935,960	33,469,345	371,257,945	382,354,717
Net revenue from railway operations	11,682,971	8,727,950	133,957,246	134,705,385
Net ry. oper. income	2,820,804	1,129,361	43,461,084	38,818,024

—V. 189, p. 193.

United-Carr Fastener Corp.—New President of Unit—

This corporation on Feb. 3 announced the appointment of E. J. Pool as President of its Chicago division, the Cinch Manufacturing Co., manufacturers of electronic components. For the past five years, Mr. Pool has been Vice-President and General Manager and prior to that Vice-President in charge of sales.—V. 188, p. 2077.

United Funds, Inc.—Registers Additional Shares With Securities and Exchange Commission—

This Kansas City, Mo., investment company, on Jan. 22 filed with the SEC an amendment to its registration statement covering $10,000,000 additional face amount of Periodic Investment Plans without insurance and the underlying shares of United Accumulative Fund, and $2,500,000 face amount of Periodic Investment Plans with insurance and the underlying shares of United Accumulative Fund.—V. 188, p. 1562.

United Stockyards Corp.—Proposed Exchange Offer—

See Canal-Randolph Corp. above.—V. 186, p. 53.

Universal Fuel & Chemical Corp., Farrell, Pa.—Withdraws Request for Hearing—

The SEC has cancelled its hearing, scheduled for Feb. 2, 1959, upon the question whether to vacate, or make permanent, an earlier order of the Commission suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a stock offering by this corporation. Cancellation followed withdrawal by the company of its request for a hearing.

In a notification filed May 17, 1956, Universal Fuel proposed the public offering of 300,000 common shares at $1 per share pursuant to the conditional exemption from registration provided by Regulation A. The exemption was temporarily suspended by Commission order of

Nov. 13, 1958, by reason of the fact that the company's offering circular appeared to contain false and misleading statements of material fact and its use operated as a fraud and deceit upon purchasers of the stock.—V. 188, p. 2788.

Universal Oil Processes, Inc.—Stock Offered—Lehman Brothers, Smith, Barney & Co. and Merrill Lynch, Pierce, Fenner & Smith, Inc. on Feb. 5 headed a nation-wide group of 256 underwriters who offered publicly 2,900,000 shares of common stock (par $1) at $25 a share. This offering was oversubscribed and the books closed.

PROCEEDS—The net proceeds from the sale of the stock will be used to purchase from Guaranty Trust Co. of New York, as Trustee of the Petroleum Research Fund, all of the outstanding shares of capital stock of Universal Oil Products Co. The American Chemical Society is presently entitled to receive the net income from such trust fund to be used for advanced scientific education and fundamental research in the petroleum field.

BUSINESS—The corporate title of Universal Oil Processes, Inc. shortly will be changed to Universal Oil Products Co.

The latter company is engaged in research development, the ownership and licensing of patents and processes, engineering, and the furnishing of operation, maintenance and construction services to the petroleum, petrochemical and chemical industries. It also manufactures and sells catalysts, oxidation inhibitors, additives and mailzenants to the petroleum, chemical, rubber and food industries.

The petroleum and petrochemical industries require constant research to adapt existing techniques to the changing requirements of these industries and to develop new techniques designed to meet new demands. The company's research has led to the development of many improved methods of processing crude petroleum to produce high grade fuels, including gasoline, and other products; many of these products are used as raw materials in the chemical industry.

Results of Universal Oil Products' continuing research assist refiners in satisfying current market demands economically. Many refiners find it more profitable to rely upon Universal's research and development of new processes and refining methods to meet these demands rather than to conduct their own.

The original corporation, which commenced business in 1914, was formed to acquire patents to a thermal cracking process which represented a considerable advance in the methods of refining oil. The process is no longer a source of royalty income but the company maintained and improved its position through the development of new processes. Currently the principal royalty-producing processes licensed by the company are the UOP Platforming, Fluid Catalytic Cracking, UOP Catalytic Condensation, UOP "HF" Alkylation and Udex.

CAPITALIZATION GIVING EFFECT TO PRESENT FINANCING

	Authorized	Outstanding
Notes payable	$1,377,500	$1,377,500
Secured by mortgages on real estate, bearing interest at 4¼% payable in installments to 1967 and 1970.		
†4½% notes, due Feb. 15, 1964		2,800,000
Capital stock (par $1)	‡3,053,000 shs.	2,900,000 shs.

†At Oct. 31, 1958, UOP had outstanding $2,800,000 of 5% sinking fund debentures, due March 15, 1967, held by the trustee and $400,000 3½% bank loan notes, due March 1, 1959, a part of which were held by Guaranty Trust Co. of New York. Under the agreement with the trustee providing for the purchase of the stock of UOP, the company has agreed that the debentures and the notes will be assumed by the company and prepaid within seven days after the consummation of the merger of UOP into the company. The company proposes to apply to such prepayment the proceeds of new bank loans in the amount of $2,800,000, bearing interest at the rate of 4½% per year and maturing in annual instalments of $300,000 commencing Feb. 15, 1960, the balance maturing Feb. 15, 1964.

‡Reduced from 7,500,000 shares at Oct. 31, 1958 to comply with the requirements of the order of the Court. 153,000 shares are reserved requirements of the order of the New York State Supreme Court. 153,000 shares are reserved for issuance pursuant to the employee Stock Option Plan of the company.

UNDERWRITERS—The several underwriters represented by Lehman Brothers, Smith, Barney & Co. and Merrill Lynch, Pierce, Fenner & Smith Inc. have severally agreed to purchase from the company the number of shares of the stock set forth below, and all such shares are to be purchased if any thereof are purchased:

	Shares
Lehman Brothers	224,000
Smith, Barney & Co.	224,000
Merrill Lynch, Pierce, Fenner & Smith Inc.	224,000
Abbott, Proctor & Paine	4,000
Lovett Abercrombie & Co.	2,500
Allen & Co.	14,000
A. C. Allyn & Co., Inc.	30,000
A. E. Ames & Co., Inc.	11,000
Amott, Baker & Co., Inc.	2,500
Arnhold & S. Bleichroeder, Inc.	5,000
Arthurs, Lestrange & Co.	2,500
Atwill & Co., Inc.	2,500
Auerbach, Pollak & Richardson	7,000
Auchincloss, Parker & Redpath	7,000
Bache & Co.	18,000
Bacon, Whipple & Co.	9,000
Robert W. Baird & Co., Inc.	11,000
Baker, Simonds & Co., Inc.	5,000
Baker, Weeks & Co.	7,000
Ball, Burge & Kraus	7,000
Barrett, Fitch, North & Co., Inc.	4,000
J. Barth & Co.	11,000
Bateman, Eichler & Co.	9,000
Bear, Stearns & Co.	18,000
A. G. Becker & Co. Inc.	18,000
Beecroft, Cole & Co.	2,500
Blair & Co. Inc.	5,000
William Blair & Co.	9,000
Blunt Ellis & Simmons	9,000
Blyth & Co., Inc.	30,000
Boettcher & Co.	7,000
George D. B. Bonbright & Co.	4,000
Bosworth, Sullivan & Co., Inc.	7,000
J. C. Bradford & Co.	11,000
Branch, Cabell & Co.	2,500
Brooke & Co.	2,500
Alex. Brown & Sons	14,000
Brown, Lisle & Marshall	5,000
C. S. Brown & Co.	2,500
Brush, Slocumb & Co. Inc.	5,000
Richard J. Buck & Co.	4,000
Burnham & Co.	11,000
Burns Bros. & Denton, Inc.	4,000
Butcher & Sherrerd	5,000
Campbell, McCarty & Co., Inc.	2,500
Carolina Securities Corp.	2,500
Chiles-Schutz Co.	2,500
City Securities Corp.	5,000
Clark, Dodge & Co.	18,000
E. W. Clark & Co.	4,000
Richard W. Clarke Corp.	4,000
Clayton Securities Corp.	2,500
Collin, Norton & Co.	4,000
C. C. Collings & Co., Inc.	2,500
Julien Collins & Co.	4,000
Cooley & Co.	5,000
Courts & Co.	7,000
Crowell, Weedon & Co.	7,000
Cruttenden, Podesta & Co.	4,000
Cunningham, Schmertz & Co., Inc.	2,500
J. M. Dain & Co., Inc	11,000
Dallas Union Securities Co., Inc.	2,500
Davenport & Co.	2,500
Davis, Skaggs & Co.	9,000
DeHaven & Townsend, Crouter & Bodine	4,000
Dempsey-Tegeler & Co.	7,000
Dewar, Robertson & Pancoast	4,000
R. S. Dickson & Co., Inc.	11,000
Dillon, Read & Co. Inc.	40,000
Dittmar & Co., Inc.	4,000
Dixon & Co.	2,500
Dixon Bretscher Noonan Inc.	5,000
Dominick & Dominick	30,000
The Dominion Securities Corp.	11,000
Doolittle & Co.	4,000
Doyle, O'Connor & Co.	2,500
Drexel & Co.	18,000
Francis I. du Pont & Co.	11,000
Eastman Dillon, Union Securities & Co.	30,000
F. Eberstadt & Co.	18,000
A. G. Edwards & Sons	4,000
Elkins, Morris, Stokes & Co.	5,000
Ellis, Holyoke & Co.	4,000
Elworthy & Co.	7,000
Emanuel, Deetjen & Co.	7,000
Eppler, Guerin & Turner, Inc.	2,500
Equitable Securities Corp.	14,000
Estabrook & Co.	11,000
Fahey, Clark & Co.	4,000
Fahnestock & Co.	9,000
Farwell, Chapman & Co.	5,000
Ferris & Co.	2,500
First California Co. (Inc.)	9,000
First of Michigan Corp.	11,000
First Southeastern Co.	2,500
First Southwest Co.	7,000
Freenling, Meyerhoff & Co.	5,000
Fridley & Frederking	2,500
Fulton Reid & Co., Inc.	7,000
Fusz-Schmelzle & Co. Inc.	2,500
Glore, Forgan & Co.	30,000
Goldman, Sachs & Co.	30,000
Goodbody & Co.	11,000
W. D. Gradison & Co.	4,000
Granbery, Marache & Co.	7,000
Greenshields & Co. (N.Y.) Inc.	5,000
Gregory & Sons	7,000
Gruss & Co.	2,500
G. C. Haas & Co.	2,500
Halle & Stieglitz	7,000
Hallgarten & Co.	30,000
Hallowell, Sulzberger, Jenks, Kirkland & Co.	4,000
Hanrahan & Co., Inc.	2,500
Harriman Ripley & Co., Inc.	30,000
Ira Haupt & Co.	5,000
Hayden, Miller & Co.	7,000
Hayden, Stone & Co.	14,000
Hemphill, Noyes & Co.	18,000
H. Hentz & Co.	11,000
Hickey & Co.	2,500
Hill Richards & Co.	7,000
Hincks Bros. & Co., Inc.	2,500
Hirsch & Co.	7,000
J. A. Hogle & Co.	7,000
Hooker & Fay	7,000
Hornblower & Weeks	18,000
Howard, Weil, Labouisse, Friedrichs & Co.	7,000
Hulme, Applegate & Humphrey, Inc.	5,000
E. F. Hutton & Co.	14,000
The Illinois Co. Inc.	5,000
Indianapolis Bond & Share Corp.	5,000
Ingalls & Snyder	4,000
Janney, Dulles & Battles, Inc.	5,000
Johnston, Lemon & Co.	14,000
Edward D. Jones & Co.	4,000
Joseph, Mellen & Miller, Inc.	4,000
Kalman & Co., Inc.	5,000
John H. Kaplan & Co.	4,000
A. M. Kidder & Co., Inc.	7,000
Kidder, Peabody & Co.	30,000
Kirkpatrick-Pettis Co.	4,000
Kuhn, Loeb & Co.	40,000
Ladenburg, Thalmann & Co.	14,000
Laird, Bissell & Meeds	7,000
W. C. Langley & Co.	11,000
Lazard Freres & Co.	30,000
Lee Higginson Corp.	18,000
Lentz, Newton & Co.	2,500
Lester, Ryons & Co.	9,000
Carl M. Loeb, Rhoades & Co.	30,000
Loewi & Co. Inc.	7,000
Irving Lundborg & Co.	9,000
S. D. Lunt & Co.	4,000
Manley, Bennett & Co.	9,000
Laurence M. Marks & Co.	11,000
The Marshall Co.	2,500
Mason-Hagan Inc.	4,000
A. E. Masten & Co.	4,000
McCormick & Co.	5,000
McDonald & Co.	11,000
McDonnell & Co. Inc.	7,000
Carl McGlone & Co., Inc.	2,500
McKelvy & Co.	5,000
McLeod, Young, Weir, Inc.	5,000
Mead, Miller & Co.	4,000
Merrill, Turben & Co., Inc.	7,000
Mid-Continent Securities Co., Inc.	4,000
The Milwaukee Co.	7,000
Mitchell, Hutchins & Co.	2,500
Mitchum, Jones & Templeton	9,000
Model, Roland & Stone	30,000
Moore, Leonard & Lynch	5,000
Moreland, Brandenberger, Johnston & Currie	2,500
Morgan Stanley & Co.	40,000
F. S. Moseley & Co.	18,000
Mullaney, Wells & Co.	5,000
Nesbitt, Thomson & Co., Inc.	14,000
W. H. Newbold's Son & Co.	5,000
Newburger & Co.	5,000
Newhard, Cook & Co.	9,000
Norris & Hirshberg, Inc.	2,500
The Ohio Co.	11,000
Pacific Northwest Co.	7,000
Paine, Webber, Jackson & Curtis	18,000
Peters, Writer & Christensen, Inc.	2,500
Pierce, Carrison, Wulbern, Inc.	4,000
Piper, Jaffray & Hopwood	9,000
W. C. Pitfield & Co., Inc.	5,000
Prescott, Shepard & Co., Inc.	11,000
R. W. Pressprich & Co.	9,000
Putnam & Co.	5,000
Raffensperger, Hughes & Co., Inc.	5,000
Rauscher, Pierce & Co., Inc.	7,000
Reinholdt & Gardner	9,000
Reynolds & Co.	30,000
Rippel & Co.	2,500
Riter & Co.	7,000
The Robinson-Humphrey Co., Inc.	7,000
Rodman & Renshaw	4,000
Wm. C. Roney & Co.	5,000
Rotan, Mosle & Co.	7,000
L. F. Rothschild & Co.	18,000
Rowles, Winston & Co.	7,000
Russ & Co., Inc.	2,500
Salomon Bros. & Hutzler	14,000
Saunders, Stiver & Co.	5,000
Scherck, Richter Co.	5,000
Schirmer, Atherton & Co.	2,500
Schoellkopf, Hutton & Pomeroy, Inc.	7,000
Schwabacher & Co.	11,000
Scott & Stringfellow	4,000
Chas. W. Scranton & Co.	5,000
Shearson, Hammill & Co.	14,000
Shields & Co.	18,000
Shuman, Agnew & Co.	11,000
Silberberg & Co.	2,500
I. M. Simon & Co.	7,000
Singer, Deane & Scribner	5,000
F. S. Smithers & Co.	9,000
William R. Staats & Co.	11,000
Stein Bros. & Boyce	11,000
Stein Brothers & Co.	7,000
Stern, Frank, Meyer & Fox	7,000
Stifel, Nicolaus & Co., Inc.	5,000
Stix & Co.	2,500
Stoone & Webster Securities Corp.	30,000
Straus, Blosser & McDowell	7,000
Stroud & Co. Inc.	9,000
Suplee, Yeatman, Mosley Co., Inc.	2,500
Sutro & Co.	9,000
Charles A. Taggart & Co., Inc.	2,500
Taylor, Rogers & Tracy, Inc.	2,500
Spencer Trask & Co.	14,000
Tucker, Anthony & R. L. Day	11,000
Underwood, Neuhaus & Co. Inc.	4,000
Van Alstyne, Noel & Co.	5,000
Vercoe & Co.	4,000
Vietor, Common, Dann & Co.	4,000
Wachob-Bender Corp.	2,500
Wagenseller & Durst, Inc.	4,000
H. C. Wainwright & Co.	4,000
G. H. Walker & Co.	14,000
Joseph Walker & Sons	4,000
Walston & Co., Inc.	18,000
Watling, Lerchen & Co.	7,000
Wertheim & Co.	30,000
Westheimer & Co.	4,000
J. C. Wheat & Co.	2,500
White, Masterson & Co.	2,500
White, Weld & Co.	30,000
J. R. Williston & Beane	2,500
Winslow, Cohu & Stetson	9,000
Dean Witter & Co.	30,000
Harold E. Wood & Co.	2,500
Wood, Gundy & Co., Inc.	14,000
Yates, Heitner & Woods	4,000

—V. 189, p. 390.

Universal Oil Products Co.—Financing, etc.—

See Universal Oil Processes, Inc. above.—V. 189, p. 390.

Upper Peninsula Power Co.—Reports Higher Profits—Preferred Stock Placed Privately—

For the 12 months ended Nov. 30, 1958, earnings per share of common stock, based on the average number of shares outstanding during the respective periods, were $1.82 compared to $1.79 for the corresponding period ended Nov. 30, 1957.

The private sale of 8,000 shares of 5¾% cumulative preferred stock to one institution was completed on Dec. 2, 1958. The proceeds are being used on the current construction program.

Cleveland Cliffs Iron Co. and Ford Motor Co., joint owners of the Humboldt Mining Co., recently announced a program to double the iron mining production capacity of that project. Power for this development comes from the Upper Peninsula Generating Co. In line with improvement in the local mining picture, three major iron mining companies in the utility company's territory have begun to return to full operations.—V. 186, p. 995.

Uranium Enterprises, Inc.—Securities and Exchange Commission Suspends Stock Offering—

See Arizona Uranium Corp. above.—V. 181, p. 589.

Vendorlator Manufacturing Co.—Partial Redemption

The company has recently called for redemption on Feb. 1, last, $36,000 of its 6% sinking fund debentures, due Oct. 1, 1966 at 101%. Payment will be made at the Security-First National Bank, Los Angeles, Calif.—V. 184, p. 1064.

Virginia Electric & Power Co.—To Sell Stock—

The company recently announced that it plans to sell on June 2 sufficient common stock to raise from $20,000,000 to $25,000,000. Underwriters will be determined through competitive bidding.

The company has not determined whether the offering will be via subscription by stockholders or a public offering.—V. 188, p. 293.

Virginia Mining Corp.—Off Canadian Restricted List—

The Securities and Exchange Commission on Feb. 2 announced two additions to and the deletion of Virginia Mining Corp. from its Canadian Restricted List, as follows:

The additions are Mylake Mines Ltd. and Tri-Cor Mining Co. Ltd.

The list now comprises 199 Canadian companies whose stocks, the Commission has reason to believe, based upon information obtained in its investigations and otherwise, recently have been or currently are being distributed in the United States in violation of the registration requirement of the Securities Act of 1933. Evasion of such requirement, applicable to securities of foreign as well as domestic companies, deprives United States investors of the financial and other information about the issuing companies which registration would provide and which is essential to an evaluation of their securities.—V. 186, p. 2416.

Vitro Corp. of America—Secondary Offering—A secondary offering of 20,000 shares of common stock (par 50 cents) was made on Jan. 22 by Blyth & Co., Inc., at $18.75 per share, with a dealer's concession of 70 cents per share. The offering was completed.—V. 189, p. 91.

Vocaline Co. of America, Inc.—Acquisition—

This company has acquired 50% of the outstanding stock of Alcar Instruments, Inc., of Little Ferry, N. J., in exchange for 50,000 shares of Vocaline stock, it was announced on Feb. 2 by Carroll T. Cooney, Jr., President.

Alcar Instruments, Inc. is a designer and manufacturer of ultrasonic cleaning equipment for laboratory and production use.

Vocaline Co. of America, Inc. is a manufacturer of intercommunication equipment, timing devices and other products in the rapidly expanding field of electronic communications.—V. 189, p. 526.

Walworth Co.—Two New Directors Elected—

Fred W. Belz, President, on Jan. 21 said that differences among directors had been settled, thus avoiding a threatened proxy fight. The announcement followed a special board meeting.

Marvin H. Grove, a director and President of Grove Valve and Regulator Company, a Walworth subsidiary, declared in mid-December that he would try to oust the present board of directors at the annual meeting in March.

As part of the Jan. 21 settlement the board was increased from 13 to 15 members with two of the new seats going to Mr. Grove's associates. These directors are John W. Collins, an officer of Grove Valve, and Paul D. Flehr, a West Coast patent attorney.—V. 187, p. 1587.

Ward La France Truck Corp.—New Control—

A group of private investors headed by Harris J. Klein, New York attorney and director of Penn-Texas Corp., has signed a contract to buy the assets and business of Ward La France Truck Corp., Elmira, N. Y., from the Glen Alden Corp.

Mr. Klein did not disclose the purchase terms but said the group would make "a substantial payment in cash and assume various obligations of Ward La France."

Mr. Klein said the purchase contract was "effective Feb. 1" and that the new owners would then take over all La France's manufacturing, sales and service facilities and will operate the company under its present name.

The La France company makes fire fighting apparatus, motor trucks, utility equipment and military vehicles.—V. 186, p. 1892.

Webcor, Inc.—Haffa Also President—

It was announced on Jan. 25 by Titus Haffa, Chairman, that, effective immediately he will assume duties as President and Chief Executive Officer, replacing Nicholas Malz, former Webcor President.

Mr. Haffa also announced the appointment of John H. Thrig, former Vice-President, to the post of Executive Vice-President, replacing Joseph L. Raffel, Jr., who has resigned.

L. O. Kressman, former Assistant Secretary, has been named Secretary and L. A. Garfinkle, Comptroller, becomes Treasurer. The posts of Secretary and Treasurer were formerly held by Harry R. Ferris, Financial Vice-President.—V. 184, p. 1627.

Welbilt Corp., Maspeth, L. I., N. Y.—Merger—

Alexander P. Hirsch, Chairman of the Board, on Jan. 30 announced that negotiations for a merger with a large furniture manufacturing business, with sales in excess of $20,000,000 a year, had proceeded to an agreement on principal terms.

A formal contract has not been executed. The attorneys for both corporations are now working on the legal details of the contract. Welbilt will be the surviving corporation and the deal will be on a cash basis. No further announcement will be made until the contract has been formally executed.—V. 188, p. 2691.

Wenwood Organizations, Inc.—Offering Completed—The 100,000 shares of 25¢ capital stock of this corporation offered last week by Michael G. Kletz & Co., Inc., at $3 per share, has been completely distributed, according to announcement by Sidney N. Weniger, President of the latter corporation. Further details will be given next week.—V. 188, p. 2788.

West Virginia Pulp & Paper Co.—Secondary Offering—A secondary offering of 115,000 shares of common stock (par $5) was made on Feb. 5 by Morgan Stanley & Co. and Davenport & Co., at $43.50 per share, with a dealer's concession of $1 per share. The offering was oversubscribed and the books closed.—V. 188, p. 2691.

Western Gas Service Co.—Registers Common Stock With SEC—To Sell Bonds and Preferred Stock Privately

This company, which is located at 9065 Alameda Ave., El Paso, Texas, on Jan. 29 filed a registration statement with the SEC covering 104,500 shares of its common stock. The company proposes to offer 4,500 shares for subscription by certain employees, and the remaining 100,000 are to be offered for public sale through an underwriting group headed by Underwood, Neuhaus & Co. The offering price and underwriting terms are to be supplied by amendment.

The company (formerly Lea County Gas Co.) will use the net proceeds, together with the proceeds of the sale to institutional investors of $3,200,000 of 5⅜% bonds due 1983 and 15,000 shares of 6% preferred stock, $100 par, and other cash funds of the company, to pay a short-term bank loan of $5,700,000. The proceeds of such loan, obtained in November 1958, were used (1) to pay substantially all of the purchase price of the gas and water properties acquired from Southwestern Public Service Co. (2) to pay short-term bank loans of the company in the amount of $404,736 principal and interest, incurred in connection with plant expansion and working capital requirements of the company, and (3) to increase working funds of the company by approximately $395,000.

Weyerhaeuser Timber Co.—Secondary Offering—A secondary offering of 10,000 shares of common stock (par $7.50) was made on Jan. 27 by Blyth & Co., Inc., at $46.50 per share, with a dealer's concession of 75 cents per share. It was oversubscribed.—V. 187, p. 2596.

Wolverine Power Corp., Bay City, Mich.—Registers Voting Trust Certificates With SEC—

Charles W. Greenough (of Boston) and three other individuals, trustees under a voting trust agreement for stock of Wolverine Power Corp., on Feb. 2 filed a registration statement with the SEC covering voting trust certificates for 40,000 shares of Wolverine Power common stock.—V. 169, p. 2216.

Youngstown Sheet & Tube Co.—Merger Abandoned—

See Bethlehem Steel Corp. above.—V. 184, p. 2675.

Yuba Consolidated Industries, Inc.—New Division—

The addition of a new division of this corporation was announced on Feb. 2 by John L. McGara, President and Board Chairman. The new division, Yuba Consolidated Erectors, Inc., will perform on a national basis all field erection work for Yuba Consolidated's heavy steel fabricating divisions.—V. 188, p. 2788.

STATE AND CITY DEPARTMENT

BOND PROPOSALS AND NEGOTIATIONS

ARIZONA

Maricopa County School District No. 202 (P. O. Phoenix), Ariz.

Bond Offering—Rhea Averill, Clerk of the Board of Supervisors, will receive sealed bids until 10 a.m. (MST) on Feb. 19 for the purchase of $285,000 school building bonds. Dated March 1, 1959. Due semi-annually from Dec. 1, 1964 to June 1, 1968 inclusive. Principal and interest (J-D) payable at the County Treasurer's office.

Maricopa County School District No. 80 (P. O. Phoenix), Ariz.

Bond Offering—Rhea Averill, Clerk of the Board of Supervisors, will receive sealed bids until 10 a.m. (MST) on Feb. 19 for the purchase of $235,000 school building bonds. Dated March 1, 1959. Due semi-annually from June 1, 1960 to June 1, 1964 inclusive. Principal and interest (J-D) payable at the County Treasurer's office.

Pinal County School District No. 20 (P. O. Florence), Ariz.

Bond Sale—The $65,000 general obligation bonds offered Feb. 2—v. 189, p. 647—were awarded to Refsnes, Ely, Beck & Co.

CALIFORNIA

Antioch Unified School District, Contra Costa County, Calif.

Bond Sale—The $1,000,000 school building bonds offered Feb. 3—v. 189, p. 527—were awarded to a group composed of the Crocker-Anglo National Bank, San Francisco, Salomon Bros. & Hutzler, and First Western Bank & Trust Co., San Francisco, at a price of 100.01, a net interest cost of about 3.79%, as follows:

$300,000 3¼s. Due on March 1 from 1960 to 1965 inclusive.
150,000 3½s. Due on March 1 from 1966 to 1968 inclusive.
250,000 3¾s. Due on March 1 from 1969 to 1973 inclusive.
300,000 4s. Due on March 1 from 1974 to 1979 inclusive.

Brea School District, Orange County, Calif.

Bond Sale—The $610,000 general obligation bonds offered Jan. 27—v. 189, p. 391—were awarded to the California Bank of Los Angeles, at a price of 100.01, a net interest cost of about 3.78%, as follows:

$100,000 5s. Due on Jan. 15 from 1960 to 1963 inclusive.
510,000 3¾s. Due on Jan. 15 from 1964 to 1984 inclusive.

Cambrian School District, Santa Clara County, Calif.

Bond Sale—An issue of $282,000 school bonds was sold to the American Trust Company, of San Francisco, as follows:

$47,000 5s. Due on Jan. 1 from 1960 to 1965 inclusive.
30,000 4s. Due on Jan. 1 from 1966 to 1968 inclusive.
30,000 3¾s. Due on Jan. 1 from 1969 to 1971 inclusive.
175,000 4s. Due on Jan. 1 from 1972 to 1984 inclusive.

Dated Jan. 1, 1959. Principal and interest (J-J) payable at the County Treasurer's office. Legality approved by Orrick, Dahlquist, Herrington & Sutcliffe, of San Francisco.

Corona Unified School District, Riverside County, Calif.

Bond Sale — The $1,100,000 school building bonds offered Feb. 2 — v. 189, p. 527 — were awarded to a syndicate headed by the Security-First National Bank, of Los Angeles, as follows:

$245,000 4¾s. Due on March 1 from 1960 to 1965 inclusive.
360,000 3¾s. Due on March 1 from 1966 to 1973 inclusive.
495,000 4s. Due on March 1 from 1974 to 1984 inclusive.

Daggett School District, San Bernardino County, Calif.

Bond Sale—The $100,000 school bonds offered Feb. 2—v. 189, p. 647—were awarded to the Security-First National Bank of Los Angeles, and R. H. Moulton & Co., jointly, as 4¼s, at a price of 100.61, a basis of about 4.18%.

East Blythe County Water District (P. O. Blythe), Calif.

Bond Offering—Robt. A. Brockmeier, Secretary of Board of Directors, will receive sealed bids until 7:30 p.m. (PST) on Feb. 11 for the purchase of $110,000 general obligation improvement bonds. Dated March 1, 1959. Due on March 1 from 1960 to 1984 inclusive. Principal and interest (M-S) payable at the County Treasurer's office. Legality approved by O'Melveny & Myers, of Los Angeles.

Encinitas Union School District, San Diego County, Calif.

Bond Offering — R. B. James, County Clerk, will receive sealed bids at his office in San Diego, until 10:30 a.m. (PST) on Feb. 17 for the purchase of $136,000 school bonds. Dated March 15, 1959. Due on March 15 from 1960 to 1984 inclusive. Principal and interest (M-S) payable at the County Treasurer's office. Legality approved by Orrick, Dahlquist, Herrington & Sutcliffe, of San Francisco.

Florin School District, Sacramento County, Calif.

Bond Sale—The $21,000 school bonds offered Feb. 4—v. 189, p. 527—were awarded to the Bank of America National Trust & Savings Association, San Francisco.

Greater Bakersfield Separation of Grade District, Kern County, Calif.

Bond Offering—Secretary Hazel Nichols announces that the Commission will receive sealed bids at 402 Haberfelde Building, Bakersfield, until 5 p.m. (PST) on Feb. 17 for the purchase of $1,250,000 general obligation grade crossing bonds. Dated Feb. 20, 1959. Due on Feb. 20 from 1960 to 1979 inclusive. Principal and interest (F-A) payable at the County Treasurer's office.

Hanford Joint Union High School District, Kings County, Calif.

Bond Offering — Bids will be received until 10 a.m. (PST) on Feb. 13 for the purchase of $1,200,000 school building bonds. Due serially from 1960 to 1978 inclusive.

Kernville Union School District, Kern County, Calif.

Bond Sale—The $65,000 school building bonds offered Feb. 3—v. 189, p. 391—were awarded to the Security-First National Bank of Los Angeles, as 3⅞s, at a price of 100.01, a basis of about 3.87%.

Livermore Joint Union High School District, Alameda County, Calif.

Bond Sale—The $147,000 school bonds offered Jan. 27—v. 189, p. 391 — were awarded to a group headed by the Bank of America National Trust & Savings Association, of San Francisco, at a price of 100.04, a net interest cost of about 3.84%, as follows:

$36,000 5s. Due on March 1 from 1960 to 1965 inclusive.
6,000 4s. Due on March 1, 1966.
30,000 3½s. Due on March 1 from 1967 to 1971 inclusive.
60,000 3¾s. Due on March 1 from 1972 to 1981 inclusive.
15,000 4s. Due on March 1 from 1982 to 1984 inclusive.

Los Angeles, Calif.

Bond Sale—The $14,000,000 recreation and parks bonds offered Feb. 3 — v. 189, p. 527 — were awarded to a syndicate headed by the Bankers Trust Co., and the Chase Manhattan Bank, both of New York City, at a price of 100.106, a net interest cost of about 3.47%, as follows:

$2,800,000 4½s. Due on March 1 from 1960 to 1963 inclusive.
4,900,000 3¼s. Due on March 1 from 1964 to 1970 inclusive.
6,300,000 3½s. Due on March 1 from 1971 to 1979 inclusive.

Among those associated with Bankers Trust Company and The Chase Manhattan Bank in the offering are:

Guaranty Trust Company of New York; Harris Trust and Savings Bank; Chemical Corn Exchange Bank; J. P. Morgan & Co. Inc.; Harriman Ripley & Co., Inc.; Lazard Freres & Co.; Weeden & Co., Incorporated; Drexel & Co.; Mercantile Trust Company; The First National Bank of Oregon; R. W. Pressprich & Co.; The Philadelphia National Bank; Equitable Securities Corporation; Hornblower & Weeks; Paine, Webber, Jackson & Curtis; Stone & Webster Securities Corporation.

Los Angeles County (P. O. Los Angeles), Calif.

Bond Offering—Harold J. Ostly, County Clerk, will receive sealed bids until 9 a.m. (PST) on Feb. 10 for the purchase of $3,546,000 juvenile detention facilities bonds. Dated June 1, 1957. Due on June 1 from 1966 to 1970 inclusive. Principal and interest (J-D) payable at the County Treasurer's office, or at any of the fiscal agencies of the County in New York City or Chicago.

Los Angeles County Flood Control District (P. O. Los Angeles), Calif.

Bond Offering—Harold J. Ostly, County Clerk, will receive sealed bids at his office in Los Angeles, until 9 a.m. (PST) on Feb. 17 for the purchase of $10,000,000 flood control improvement bonds. Dated March 1, 1959. Due on March 1 from 1960 to 1989 inclusive. Principal and interest (M-S) payable at the County Treasurer's office, or at any of the County's fiscal agencies in New York City and Chicago.

Monrovia City School District, Los Angeles County, Calif.

Bond Sale—The $125,000 school bonds offered Feb. 3—v. 189, p. 195—were awarded to the First Western Bank & Trust Co., San Francisco, and Hill Richards & Co., jointly, as 3¾s, at a price of 101.44, a basis of about 3.58%.

Oak Grove School District, Santa Clara County, Calif.

Bond Sale—An issue of $494,000 school bonds was sold to the American Trust Company, of San Francisco, as follows:

$65,000 5s. Due on Jan. 1 from 1960 to 1965 inclusive.
235,000 3¾s. Due on Jan. 1 from 1966 to 1977 inclusive.
194,000 4s. Due on Jan. 1 from 1978 to 1984 inclusive.

Dated Jan. 1, 1959. Principal and interest (J-J) payable at the County Treasurer's office. Legality approved by Orrick, Dahlquist, Herrington & Sutcliffe, of San Francisco.

Scandinavian School District, Fresno County, Calif.

Bond Offering — J. L. Brown, County Clerk, will receive sealed bids at his office in Fresno until 10:30 a.m. (PST) on Feb. 17 for the purchase of $79,000 school building bonds. Dated March 1, 1959. Due on March 1 from 1960 to 1984 inclusive. Principal and interest (M-S) payable at the County Treasurer's office.

Union School District, Santa Clara County, Calif.

Bond Sale—An issue of $175,000 school bonds was sold to the American Trust Company, of San Francisco, as follows:

$30,000 5s. Due on Jan. 1 from 1960 to 1965 inclusive.
145,000 4s. Due on Jan. 1 from 1966 to 1984 inclusive.

Dated Jan. 1, 1959. Principal and interest (J-J) payable at the County Treasurer's office. Legality approved by Orrick, Dahlquist, Herrington & Sutcliffe, of San Francisco.

Washington Unified Sch. District, Yolo County, Calif.

Bond Sale—The $430,000 school bonds offered Feb. 2—v. 189, p. 648—were awarded to the Bank of America National Trust & Savings Association, San Francisco.

COLORADO

Jefferson County School District No. R-1 (P. O. Lakewood), Colo.

Bond Sale—An issue of $5,000,000 general obligation bonds was purchased recently via negotiated sale by a syndicate headed by John Nuveen & Co., as follows:

$525,000 3½s. Due on Sept. 1 from 1960 to 1964 inclusive.
975,000 3¾s. Due on Sept. 1 from 1965 to 1968 inclusive.
3,500,000 4s. Due on Sept. 1 from 1969 to 1981 inclusive.

Dated March 1, 1959. Bonds due in 1970 and thereafter are callable as of Sept. 1, 1969. Interest M-S. Legality approved by Dawson, Nagel, Sherman & Howard, of Denver.

Other members of the syndicate: Boettcher & Co., Coughlin & Co., Inc., Kirchner, Ormsbee & Wiesner, Inc., Bosworth, Sullivan & Co., Inc., Peters, Writer & Christensen, Inc., Commerce Trust Co., of Kansas City, Garrett-Bromfield & Co., J. K. Mullen Investment Co., and Cruttenden, Podesta & Co.

CONNECTICUT

East Granby, Conn.

Bond Sale—The $280,000 school bonds offered Feb. 3—v. 189, p. 648 — were awarded to Tucker, Anthony & R. L. Day, as 3.60s, at a price of 100.48, a basis of about 3.54%.

Waterbury, Conn.

Note Sale—An issue of $500,000 tax anticipation notes was sold to the Connecticut National Bank, of Waterbury, at 1.70% discount.

FLORIDA

Florida State Turnpike Authority (P. O. Fort Lauderdale), Fla.

Accelerated Debt Payment — The Turnpike Authority has retired $4,923,000 of its original issue of $74,000,000 revenue bonds, leaving $69,077,000 outstanding. This is three years ahead of the amortization schedule estimated by consulting engineers. In addition the Turnpike Authority has approximately $9,000,000 in its various reserve funds.

Income from operations of the Sunshine State Parkway for the first nine months of the fiscal year which began April 1 showed an increase of 11.55% according to a report released by Thomas B. Manuel, Chairman of the Authority.

Total income from operations only for the nine months which ended Dec. 31, was $3,258,827.16 compared to the 1957 total of $2,921,374.45, Mr. Manuel said.

Net revenues for the nine months in 1958 were up 10.62% or $245,264.92 over the 1957 figure of $2,310,278.24. The 1958 net was $2,555,543.16.

December income from operations only showed an increase of 8.34% over the same month a year ago. Toll revenues also gained 6.42%. Net revenue of $326,077.04 last month was up 6.12% over December 1957 which amounted to $307,260.26.

Income from operations only in December was the second highest monthly total since the Turnpike began operations Jan 26, 1957. The December figure of $408,414.08 was exceeded only by the total of March 1958 which was $414,853.00, Mr. Manuel said.

In December 314,780 vehicles traveled a total of 16,006,160 miles compared to 297,730 vehicles with mileage of 14,759,056 for the same month a year ago.

Since the opening of the Turnpike 337,445,976 miles of travel on the Parkway have been registered by vehicles of all types with 10 fatalities. This gives the Sunshine State Parkway a fatality rate of 2.9 per 100,000,000 vehicle miles compared to 5.9 on free roads throughout the nation.

Lakeland. Fla.

Bond Offering—L. R. Shuman, Clerk - Comptroller, will receive sealed bids until 2 p.m. (EST) on Feb. 9 for the purchase of $450,000 utilities tax revenue bonds. Dated April 1, 1958. Due on Oct. 1, 1979 and 1980. Principal and interest (A-O) payable at the Chase Manhattan Bank, New York City. Legality approved by Caldwell, Marshall, Trimble & Mitchell, of New York City.

Tampa, Fla.

Bond Sale—The $3,000,000 water revenue bonds offered Feb. 5—v. 189, p. 528—were awarded to a group composed of Kidder, Peabody & Co., F. S. Moseley & Co., J. C. Bradford & Co., W. H. Morton & Co., Inc., New York Hanseatic Corp., Shelby Cullom Davis & Co., McDonnell & Co., Rand & Co., Interstate Securities Corp., Crummer Co., Inc., and Oscar E. Dooly & Co., at a price of par, a net interest cost of about 3.83%, as follows:

$155,000 4½s. Due on Sept. 1 from 1960 to 1964 inclusive.
110,000 4¼s. Due on Sept. 1 from 1965 to 1967 inclusive.
445,000 4s. Due on Sept. 1 from 1968 to 1976 inclusive.
205,000 3.90s. Due on Sept. 1 from 1977 to 1979 inclusive.
2,085,000 3.80s. Due on Sept. 1 from 1980 to 1986 inclusive.

ILLINOIS

Chicago, Ill.

$120 Million Airport Financing Imminent—A nation-wide syndicate headed by Glore, Forgan & Co., A. C. Allyn & Co., Inc., Halsey, Stuart & Co. Inc., Harriman Ripley & Co., Inc., and Stifel, Nicolaus & Co., is scheduled to make public offering on or about Feb. 17 of an issue of $120,000,000 revenue bonds, proceeds of which will be used in the construction of the Chicago-O'Hare International Airport. The bonds will mature in 1999. The airport will be the largest in the country and will be fully equipped to handle

the jet and other types of passenger aircraft.

DuPage County School District No. 15 (P. O. Lombard), Ill.

Bond Sale—The $94,000 school building bonds offered Jan. 29—v. 189, p. 392—were awarded to Harry J. Wilson & Co., at a price of par, a net interest cost of about 3.96%, as follows:

$34,000 4s. Due on Jan. 1 from 1962 to 1968 inclusive.

15,000 3¾s. Due on Jan. 1 from 1969 to 1971 inclusive.

45,000 4s. Due on Jan. 1 from 1972 to 1977 inclusive.

Madison County Community Unit School District No. 1 (P. O. Roxana), Ill.

Bond Sale—The $670,000 school building bonds offered Feb. 3—v. 189, p. 648—were awarded to a group composed of John Nuveen & Co.; Reinholdt & Gardner, and McDougal & Condon, at a price of 100.004, a net interest cost of about 3.87%, as follows:

$340,000 4s. Due on Dec. 15 from 1959 to 1969 inclusive.

130,000 3¾s. Due on Dec. 15 from 1970 to 1972 inclusive.

200,000 3⅞s. Due on Dec. 15 from 1973 to 1976 inclusive.

Stockton, Ill.

Bond Sale — Bonds totaling $470,000 were sold to Barcus, Kindred & Co., as follows:

$150,000 sewer bonds, for $30,000 3¼s, due on Jan. 1 from 1960 to 1965 inclusive; $50,000 3½s, due on Jan. 1 from 1966 to 1971 inclusive; and $70,000 3¾s, due on Jan. 1 from 1972 to 1978 inclusive.

320,000 waterworks and sewerage revenue bonds, for $41,000 4¾s, due on May 1 from 1959 to 1968 inclusive; $171,000 4½s, due on May 1 from 1969 to 1990 inclusive; and $108,000 4⅝s, due on May 1 from 1991 to 1998 inclusive.

Waukegan, Ill.

Bond Offering — Howard A. Guthrie, City Clerk, will receive sealed bids until 8 p.m. (CST) on March 2 for the purchase of $1,180,000 waterworks and sewerage revenue bonds. Dated Feb. 1, 1959. Due on May 1 from 1960 to 1989 inclusive. Bonds due in 1969 and thereafter are callable as of May 1, 1968. Principal and interest (M-N) payable at a bank in Chicago, mutually agreed upon by the purchaser and the City. Legality approved by Chapman & Cutler, of Chicago.

INDIANA

Highland, Ind.

Bond Offering — Irene F. Ketchum, Town Clerk-Treasurer, will receive sealed bids until 10 a.m. (CST) on Feb. 10 for the purchase of $40,000 fire equipment and building bonds. Dated Feb. 1, 1959. Due semi-annually from July 1, 1960 to July 1, 1964 inclusive. Legality approved by Chapman & Cutler, of Chicago.

IOWA

Ames, Iowa

Bond Sale—The $410,000 sewer and street bonds offered Feb. 3—v. 189, p. 528—were awarded to a group composed of Halsey, Stuart & Co. Inc.; John Nuveen & Co., Hornblower & Weeks, and Becker & Cownie, Inc., as follows:

$260,000 sewer bonds at a price of par, a net interest cost of about 2.77%, as follows: $40,000 3s, due on Nov. 1, 1959 and 1960; $155,000 2¾s, due on Nov. 1 from 1961 to 1967 inclusive; and $65,000 2.80s, due on Nov. 1 from 1968 to 1970 inclusive.

150,000 street bonds at a price of 100.05, a net interest cost of about 2.68%, as follows: $60,000 2¾s, due on Nov. 1 from 1959 to 1962 inclusive; $30,000 2½s, due on Nov. 1, 1963 and 1964; and $60,000 2¾s, due on Nov. 1 from 1965 to 1968 inclusive.

Additional Sale—The $650,000 hospital and airport bonds offered the same day were awarded to a group composed of the Continental Illinois National Bank & Trust Co., Chicago; Merrill Lynch, Pierce, Fenner & Smith, and Farwell, Chapman & Co., Inc., as follows:

$600,000 hospital bonds at a price of 100.03, a net interest cost of about 2.88%, as follows: $230,000 2½s, due on Nov. 1 from 1959 to 1964 inclusive; $80,000 2¾s, due on Nov. 1, 1965 and 1966; and $290,000 3s, due on Nov. 1 from 1967 to 1972 inclusive.

50,000 airport bonds as 2½s, at a price of 100.45, a basis of about 2.32%. Due on Nov. 1 from 1959 to 1963 inclusive.

Cerro Gordo County (P. O. Mason City), Iowa

Bond Offering—Ethel Ridgway, County Treasurer, will receive sealed bids until 2 p.m. (CST) on Feb. 9 for the purchase of $750,000 court house bonds. Dated March 1, 1959. Due on Nov. 1 from 1960 to 1969 inclusive.

Fort Dodge, Iowa

Bond Sale—The $116,000 street improvement bonds offered Feb. 3—v. 189, p. 648—were awarded to a group composed of Fort Dodge National Bank; State Bank; and Union Trust & Savings Bank, all of Fort Dodge, as 2½s, at a price of 100.36, a basis of about 1.58%.

Marion Rural Community School District, Iowa

Bond Sale—An issue of $234,000 building bonds was sold to Becker & Cownie, Inc., and Carleton D. Beh Co., jointly. Dated Feb. 1, 1959. Due on Dec. 1 from 1961 to 1978 inclusive. Legality approved by Chapman & Cutler, of Chicago.

Missouri Valley, Iowa

Bond Sale—The $58,000 street improvement and construction bonds offered Feb. 3—v. 189, p. 648—were awarded as follows:

$33,000 street construction bonds to Carleton D. Beh Co., as 2.70s, at a price of 100.02.

25,000 street improvement bonds to Dean Witter & Co., as 4s.

Red Oak Independent School District, Ia.

Bond Sale—The $238,000 building bonds offered Jan. 29—v. 189, p. 392—were awarded to a group composed of the Houghton State Bank, of Red Oak, Iowa - Des Moines National Bank, of Des Moines, and White - Phillips Co., Inc., as 3s, 3.10s and 3¼s, at a price of 100.10.

KENTUCKY

Henderson County (P. O. Henderson), Ky.

Bond Offering—Glenn A. Wilson, County Court Clerk, will receive sealed bids until 11 a.m. (CST) on Feb. 9 for the purchase of $720,000 school building bonds. Dated Feb. 1, 1959. Due on Feb. 1 from 1960 to 1979 inclusive. Callable as of Feb. 1, 1964. Interest F-A. Legality approved by Wyatt, Grafton & Grafton, of Louisville.

LOUISIANA

Greater New Orleans Expressway Commission (P. O. Box 9203), Metairie, La.

Financial Report Issued—A report of the Greater New Orleans Expressway Commission for the fiscal year ended Oct. 31, 1958, prepared by Barton, Pilie, Hughes & Jones, certified public accountants of New Orleans, La., is being distributed by Authority Chairman John J. Holtgreve.

Certain facts contained in the report which point to the satisfactory financial position of the Expressway and the excellent public acceptance of the Lake Pontchartrain Causeway, major revenue source for the Expressway, are set forth as follows:

(1) The Sinking Fund as of Oct. 31, 1958 amounted to $3,724,723.59 consisting of $918,048.89 in the Bond Principal and Interest Account, $2,403,568.86 in the Reserve Account, and $403,105.84 in the Bond Redemption Account. Funds on hand in the Reserve Account, at Oct. 31, 1958, have been invested by the Trustee in U. S. Government securities.

(2) In addition to the Sinking Fund, a total of $618,301.56 is held in three other reserve accounts. Of this amount, $320,256.04 is in the Reserve for Maintenance account, $210,000 in the Reserve for Operating Expenses account, and $88,045.52 in the Revenue Fund. Total reserves amount to $4,343,025.15.

(3) Revenues from tolls on the Lake Pontchartrain Causeway plus the annual allocation from State Highway Fund No. 2 exceeded expenditures, including operating expenses, interest expense, and bond redemption, by $180,250.37.

(4) During the fiscal year, the Trustee, The National Bank of Commerce in New Orleans, purchased through tenders and in the open market a total of $440,000 in Greater New Orleans Expressway revenue bonds at a cost of $412,598.15. Two bonds have been retired at par value as set out in the Official Statement's retirement schedule. As of this date, the Trustee has purchased an additional $150,000 in bonds at a cost of $140,510.00, making a total of $592,000 in bonds retired. An average of 93.43 was paid for bonds purchased through tenders and in the open market.

The number of vehicles using the Expressway increased steadily during the year. Revenue from tolls for fiscal 1958 was 6.4% greater than for 1957. Commercial traffic continues to rise, while automobile traffic continues to exceed original estimates that were made by nationally-known traffic engineers.

Gretna, La.

Bond Sale—The $300,000 Natatorium bonds offered Feb. 2—v. 189, p. 196—were awarded to a group composed of White, Hattier & Sanford, Merrill Lynch, Pierce, Fenner & Smith, and Nusloch, Baudean & Co.

LaFourche Parish (P. O. Thibodaux), La.

Bond Offering—G. G. Zimmerman, Secretary of the Parish Police Jury, will receive sealed bids until 10 a.m. (CST) on March 11 for the purchase of $1,000,000 public improvement bonds. Dated April 1, 1959. Due on Feb. 1 from 1960 to 1979 inclusive. Callable as of Feb. 1, 1974. Interest F-A. Legality approved by Foley, Cox & Judell, of New Orleans.

Louisiana (State of)

Bond Sale — The $20,000,000 highway bonds offered Feb. 4—v. 189, p. 528—were awarded to a syndicate headed by the First National City Bank of New York, and Halsey, Stuart & Co. Inc., at a price of 100.05, a net interest cost of about 3.50%, as follows:

$4,814,000 4s. Due on Feb. 1 from 1960 to 1966 inclusive.

7,124,000 3.40s. Due on Feb. 1 from 1967 to 1974 inclusive.

8,062,000 3½s. Due on Feb. 1 from 1975 to 1981 inclusive.

Participating in the offering are: Chemical Corn Exchange Bank; The Northern Trust Company; Harris Trust and Savings Bank; Kidder, Peabody & Co.; White, Weld & Co.; Eastman Dillon, Union Securities & Co.; Blair & Co. Incorporated; B. J. Van Ingen & Co. Inc.; Carl M. Loeb, Rhoades & Co.; The First National Bank of Memphis;

Barrow, Leary & Co.; The Marine Trust Company of Western New York; Hemphill, Noyes & Co.; F. S. Moseley & Co.; F. S. Smithers & Co.; Braun, Bosworth & Co. Incorporated; First of Michigan Corporation; Estabrook & Co.; Shearson, Hammill & Co.; A. G. Becker & Co. Incorporated;

Roosevelt & Cross Incorporated; Wood, Struthers & Co.; W. H. Morton & Co. Incorporated; Geo. B. Gibbons & Company Incorporated; City National Bank & Trust Co., Kansas City, Mo.; King, Quirk & Co. Incorporated; Robert Winthrop & Co.; Spencer Trask & Co.;

Ladd Dinkin & Company; New York Hanseatic Corporation; Kohlmeyer & Co.; R. D. White & Company; Bramhall, Falion & Co., Inc.; Mercantile-Safe Deposit and Trust Company, Baltimore; Interstate Securities Corporation; Weil Investment Company; Commerce Trust Company, Kansas City, Mo.

Vermilion Parish, Prairie Gregg Drainage District (P. O. Erath), Louisiana

Bond Offering—A. S. Dubois, Secretary of the Board of Commissioners, will receive sealed bids until 3:30 p.m. (CST) on March 2 for the purchase of $95,000 public improvement bonds. Dated April 1, 1959. Due on April 1 from 1961 to 1979 inclusive. Interest A-O. Legality approved by Foley, Cox & Judell, of New Orleans.

MARYLAND

Keedysville, Md.

Bond Sale—The $135,000 water system bonds offered Jan. 29—v. 189, p. 392—were awarded to a group composed of the Mercantile-Safe Deposit & Trust Co., Baltimore, Baker, Watts & Co., and Stein Bros. & Boyce, at a price of par, a net interest cost of about 4.64%, as follows:

$82,000 4½s. Due on Jan. 1 from 1963 to 1980 inclusive.

53,000 4¾s. Due on Jan. 1 from 1981 to 1989 inclusive.

Montgomery County (P. O. Rockville), Md.

Bond Offering—Alex K. Hancock, Director of Finance, will receive sealed bids until 11 a.m. (EST) on Feb. 17 for the purchase of $9,540,000 general obligation bonds, as follows:

$2,000,000 school bonds. Due on March 1 from 1960 to 1984 inclusive.

6,960,000 general improvement bonds. Due on March 1 from 1960 to 1984 inclusive.

300,000 Silver Spring Parking Lot District bonds. Due on March 1 from 1960 to 1989 inclusive.

250,000 Bethesda Parking Lot District bonds. Due on March 1 from 1960 to 1989 inclusive.

30,000 Montgomery Hills Parking Lot District bonds. Due on March 1 from 1960 to 1989 inclusive.

All of the bonds are dated Mar. 1, 1959. Principal and interest (M-S) payable at the Chase Manhattan Bank, New York City; Union Trust Co. of Maryland, Baltimore; or at the Farmers' Banking & Trust Co. of Montgomery County, Rockville. Legality approved by Clark, Smith & Prendergast, of Baltimore.

Prince George's County (P. O. 4017 Hamilton Street, Hyattsville), Maryland

Bond Offering — Treasurer of Washington Suburban Sanitary Commission James J. Lynch announces that sealed bids will be received until 11 a.m. (EST) on Feb. 12 for the purchase of $768,000 bonds, as follows:

$146,000 Prince George's County, Anacostia River Flood Control bonds. Due on Feb. 1 from 1961 to 1984 inclusive.

422,000 Washington Suburban Sanitary Commission, Anacostia River Flood Control bonds. Due on Feb. 1 from 1961 to 1984 inclusive.

200,000 The Maryland-National Capital Park and Planning Commission, Anacostia River Flood Control bonds. Due on Feb. 1 from 1961 to 1984 inclusive.

Dated Feb. 1, 1959. Principal and interest (F-A) payable at the Equitable Trust Co., of Baltimore, or at the Suburban Trust Co., in Hyattsville. Legality approved by Niles, Barton, Yost & Dankmeyer, of Baltimore.

MASSACHUSETTS

Massachusetts Port Authority, Massachusetts

Bonds Marketed—Public offering of $71,750,000 4¾% revenue bonds (series A), dated Feb. 1, 1959 and due Oct. 1, 1998, at a price of 100% and accrued interest, was made Feb. 3 by an underwriting syndicate of 220 members, jointly managed by Harriman Ripley & Co., Incorporated; Smith, Barney & Co. and Halsey, Stuart & Co. Inc. The managers reported that all the bonds were quickly sold out of the account and the subscription books closed.

Net proceeds from the sale of the bonds will be applied by the Massachusetts Port Authority toward the redemption of all of the $21,620,000 outstanding Mystic River Bridge Authority 2⅞% bonds, making payments to the Commonwealth of Massachusetts for the acquisition of Logan International Airport and Hanscom Field, paying for estimated costs of improvements planned for the airport properties and hangars, and for improvements of the Port of Boston facilities.

The bonds may be redeemed in whole at optional redemption prices ranging from 104% to par, and in part through the sinking fund, at redemption prices receding from 103% to par, plus accrued interest in each case.

In the opinion of counsel, interest on the bonds is exempt from all present Federal income taxes from taxation within the Commonwealth of Massachusetts.

The Massachusetts Port Authority is a public instrumentality of the Commonwealth of Massachusetts created by Chapter 465 of the Massachusetts Acts of 1956 as amended by Chapter 599 of the Acts of 1958. The primary purposes of the Authority are to assume and coordinate the control and management of the facilities now separately controlled and managed by the Mystic River Bridge Authority, the State Airport Management Board and Port of Boston Commission and to improve and develop these facilities in the Boston Metropolitan area which it may in the future be authorized to acquire or construct.

Other members of the underwriting syndicate include:

The First Boston Corp.; Blyth & Co., Inc.; Lehman Brothers; Kuhn, Loeb & Co.; Kidder, Peabody & Co.; F. S. Moseley & Co.; Eastman Dillon, Union Securities & Co.; Glore, Forgan & Co.; Goldman, Sachs & Co.; Phelps, Fenn & Co.;

White, Weld & Co.; C. J. Devine & Co.; Hornblower & Weeks; Paine, Webber, Jackson & Curtis; R. W. Pressprich & Co.; Salomon Bros. & Hutzler; John Nuveen & Co.; B. J. Van Ingen & Co., Inc.; A. C. Allyn and Company, Inc.; Bear, Stearns & Co.;

Blair & Co. Incorporated; Alex. Brown & Sons; Coffin & Burr, Incorporated; Estabrook & Co.; Equitable Securities Corporation; Hayden, Stone & Co.; Hemphill, Noyes & Co.; Lee Higginson Corporation; Reynolds & Co.; Shields & Company; Stone & Webster Securities Corporation;

Tripp & Co., Inc.; Bache & Co.; Bacon, Stevenson & Co.; A. G. Becker & Co., Incorporated; J. C. Bradford & Co.; Clark, Dodge & Co.; R. S. Dickson & Co., Inc.; Dominick & Dominick; First of Michigan Corporation; Gregory & Sons; Ira Haupt & Co.; W. E. Hutton & Co.;

Carl M. Loeb, Rhoades & Co.; W. H. Morton & Co., Incorporated; L. F. Rothschild & Co.; Schoellkopf, Hutton & Pomeroy, Inc.; Townsend, Dabney & Tyson; Tucker, Anthony & R. L. Day; Weeden & Co.; Wertheim &

Co.; Dean Witter & Co.; Wood, Struthers & Co.;

Adams, McEntee & Co., Inc.; American Securities Corporation; Barr Brothers & Co.; William Blair & Company; Dick & Merle-Smith; Eldredge & Co., Inc.; Fitzpatrick, Sullivan & Co.; Geo. B. Gibbons & Company, Incorporated; Hallgarten & Co.; Harkness & Hill, Incorporated; Hirsch & Co.; E. F. Hutton & Company;

The Illinois Company, Incorporated; Kean Taylor & Co.; New York Hanseatic Corporation; Wm. E. Pollock & Co., Inc.; Roosevelt & Cross, Incorporated; Stern Brothers & Co.; Stifel, Nicolaus & Co., Inc.; Stroud & Company, Incorporated; Spencer Trask & Co.; G. H. Walker & Co.; Wood, Gundy & Co., Inc.

Massachusetts Turnpike Authority, Massachusetts

Earnings Report — The report of the Authority for 1958 shows net earnings, after operating and maintenance expense, of $7,120,255, equal to 90% of the bond interest charges for that period. Reserves for bond interest for substantially the full year of 1959 have already been set aside with the trustee from earnings, and, in addition, there is available a contingency reserve in excess of $4,000,000.

The Authority reports that, for the year just ended, the use of the turnpike by both passenger and commercial vehicles has continued to increase, the increase in the commercial traffic being particularly noticeable. The turnpike was opened in May, 1957.

A comparison of toll revenues for the final seven months of 1957 with the corresponding months in 1958 shows an increase in 1958 of 4.9% in passenger vehicles and 27.6% in commercial vehicles. It is anticipated that there will be a marked acceleration of this upward trend when the Berkshire connection between the New York Thruway and the Massachusetts Turnpike is open over its entire length. This will occur when the bridge over the Hudson River is completed early next spring.

New Bedford, Mass.

Note Offering — Gustave LaMarche, City Treasurer, will receive sealed bids until 11 a.m. (EST) on Feb. 11 for the purchase of $1,000,000 tax anticipation notes. Dated Feb. 18, 1959. Due Oct. 29, 1959.

Somerville, Mass.

Note Offering—William J. Reynolds, City Treasurer, will receive sealed bids until 11 a.m. (EST) on Feb. 10 for the purchase of $500,000 notes. Dated Feb. 10, 1959. Due Oct. 14, 1959.

Somerville, Mass.

Bond Sale—The $1,150,000 incinerator bonds offered Feb. 3—v. 189, p. 649—were awarded to a group composed of L. F. Rothschild & Co., B. J. Van Ingen & Co., Inc., Shearson, Hammill & Co., and Loker, Sparrow & Co., as 3.10s, at a price of 100.001, a basis of about 3.09%.

Taunton, Mass.

Note Offering—Thomas F. Corr, Jr., City Treasurer, will receive sealed bids until 11 a.m. (EST) on Feb. 10 for the purchase of $500,000 notes. Dated Feb. 11, 1959. Due Nov. 10, 1959.

Wellesley, Mass.

Bond Sale—The $900,000 incinerator and school bonds offered Feb. 4 — v. 189, p. 649 — were awarded to a group composed of W. E. Hutton & Co., Tucker, Anthony & R. L. Day, Lee Higginson Corp., Estabrook & Co., and Chace, Whiteside & Winslow, Inc., as 2.90s, at a price of 100.39, a basis of about 2.85%.

MICHIGAN

Bay City School District, Mich.

Note Offering—Lyle E. Ewing, Secretary of Board of Education, will receive sealed bids until 7:30 p.m. (EST) on Feb. 10 for the purchase of $250,000 tax anticipation notes. Dated Feb. 15, 1959. Due on Oct. 15, 1959.

Edmore Community School District, Michigan

Bond Offering—Lloyd Mattson, Secretary of Board of Education, will receive sealed bids until 8 p.m. (EST) on Feb. 19 for the purchase of $480,000 school building bonds. Dated March 1, 1959. Due on July 1 from 1961 to 1986 inclusive. Principal and interest (J-J) payable at a bank or trust company designated by the purchaser. Legality approved by Miller, Canfield, Paddock & Stone, of Detroit.

Madison Heights and Troy, Lamphere Public Schools District (P. O. 621 East Katherine St., Madison Heights), Mich.

Bond Offering — Frederick W. Hiller, Secretary of the Board of Education, will receive sealed bids until 8 p.m. (EST) on Feb. 10 for the purchase of $375,000 building and site bonds. Dated Dec. 1, 1958. Due on June 1 from 1960 to 1984 inclusive. Callable as of June 1, 1969. Interest J-D. Legality approved by Dickinson, Wright, Davis, McKean & Cudlip, of Detroit.

Mason Public School Dist., Mich.

Bond Offering — Stanley G. Holmes, Secretary of Board of Education, will receive sealed bids until 8 p.m. (EST) on Feb. 25 for the purchase of $1,400,000 school building bonds. Dated April 1, 1959. Due on July 1 from 1960 to 1985 inclusive. Bonds due in 1970 and thereafter are callable as of July 1, 1969. Principal and interest (J-J) payable at a bank or trust company designated by the purchaser. Legality approved by Miller, Canfield, Paddock & Stone, of Detroit.

Port Huron Building Authority (P. O. Port Huron), Mich.

Bond Offering — Arthur W. Hitchings, Secretary, will receive sealed bids until 11 a.m. (EST) on Feb. 17 for the purchase of $150,000 revenue bonds. Dated Oct. 1, 1958. Due on Oct. 1 from 1959 to 1977 inclusive. Bonds due in 1969 and thereafter are callable as of Oct. 1, 1968. Principal and interest (A-O) payable at a bank or trust company designated by the purchaser. Legality approved by Miller, Canfield, Paddock & Stone, of Detroit.

Rockwood, Mich.

Bond Offering — Myron Fountain, Village Clerk, will receive sealed bids until 8 p.m. (EST) on Feb. 18 for the purchase of $36,000 special assessment water bonds. Dated Sept. 1, 1958. Due on Sept. 1 from 1959 to 1962 inclusive. Principal and interest (M-S) payable at a bank or trust company designated by the purchaser. Legality approved by Dickinson, Wright, Davis, McKean & Cudlip, of Detroit.

MINNESOTA

Gaylord Independent School Dist. No. 732, Minn.

Bond Offering — The $400,000 school building bonds offered Jan. 29—v. 189, p. 529—were awarded to a group composed of the Northwestern National Bank, of Minneapolis, Allison - Williams Co., Piper, Jaffray & Hopwood, and J. M. Dain & Co., at a price of par, a net interest cost of about 3.55%, as follows:

$160,000 3s. Due on Feb. 1 from 1962 to 1969 inclusive.
60,000 3.30s. Due on Feb. 1 from 1970 to 1972 inclusive.
60,000 3.60s. Due on Feb. 1 from 1973 to 1975 inclusive.
120,000 3.70s. Due on Feb. 1 from 1976 to 1981 inclusive.

In addition the entire issue will carry an extra 1.20% interest from April 1, 1959 to Feb. 1, 1960.

Granite Falls Indep. School District No. 894, Minn.

Bond Offering—Leah W. Skinner, District Clerk, will receive sealed bids until 7:30 p.m. (CST) on Feb. 18 for the purchase of $175,000 general obligation school building bonds. Dated Feb. 1, 1959. Due on Feb. 1 from 1961 to 1969 inclusive. Legality approved by Dorsey, Owen, Barker, Scott & Barber, of Minneapolis.

Lanesboro Independent School District No. 229, Minn.

Bond Offering—Catherine Sears, District Clerk, will receive sealed bids until 8 p.m. (CST) on Feb. 13 for the purchase of $650,000 general obligation school building bonds. Dated March 1, 1959. Due on March 1 from 1962 to 1989 inclusive. Callable as of March 1, 1972. Legality approved by Dorsey, Owen, Scott, Barber & Marquart, of Minneapolis.

Minneapolis, Minn.

Certificate Sale—The $3,000,000 tax anticipation certificates of indebtedness offered Feb. 4—v. 189, p. 649 — were awarded to Kuhn, Loeb & Co., at 1.90% interest, plus a premium of $600.

Mounds View Indep. School Dist. No. 621, Minn.

Bond Offering — D. D. Wendt, District Clerk, will receive sealed bids until 8 p.m. (CST) on Feb. 12 for the purchase of $400,000 general obligation school building bonds. Dated March 1, 1959. Due on March 1 from 1962 to 1982 inclusive. Principal and interest payable at any suitable bank or trust company designated by the purchaser. Legality approved by Dorsey, Owen, Scott, Barber & Marquart, of Minneapolis.

New Hope, Minn.

Bond Offering — Don Trucker, Village Clerk, will receive sealed bids until 8 p.m. (CST) on Feb. 10 for the purchase of $417,000 temporary improvement bonds. Dated Feb. 1, 1959. Due Feb. 1, 1961. Principal and interest (F-A) payable at the American National Bank, St. Paul. Legality approved by Dorsey, Owen, Barker, Scott & Marquart, of Minneapolis.

New Prague Indep. School District No. 721, Minn.

Bond Sale—The $1,370,000 building bonds offered Feb. 2—v. 189, p. 93—were awarded to a group headed by J. M. Dain & Co., Inc., at a price of par, a net interest cost of about 3.66%, as follows:

$365,000 3.20s. Due on Jan. 1 from 1962 to 1971 inclusive.
155,000 3½s. Due on Jan. 1 from 1972 to 1974 inclusive.
450,000 3.60s. Due on Jan. 1 from 1975 to 1980 inclusive.
400,000 3.70s. Due on Jan. 1 from 1981 to 1984 inclusive.

The bonds bear additional interest of 2.10% from May 1, 1959 to Jan. 1, 1960.

Other members of the syndicate: Allison-Williams Co., Piper, Jaffray & Hopwood, Northwestern National Bank, First National Bank, of St. Paul, John Nuveen & Co., Mannheimer-Egan, Inc., Caldwell, Phillips & Co., Harold E. Wood & Co., and Woodard-Elwood & Co.

Red Lake County (P. O. Red Lake Falls), Minn.

Bond Offering—Arthur Prenevost, County Auditor, will receive sealed bids until 3 p.m. (CST) on Feb. 24 for the purchase of $210,000 general obligation nursing home bonds. Dated Feb. 1, 1959. Due on Feb. 1 from 1962 to 1980 inclusive. Paying agent to be named by the successful bidder. Legality approved by Briggs, Gilbert, Morton, Kyle & Macartney, of St. Paul.

MISSISSIPPI

Adams County (P. O. Natchez), Mississippi

Bond Sale — The $55,000 improvement bonds offered Feb. 3 were awarded to the First National Bank of Memphis.

Due serially from 1960 to 1969 inclusive.

Bay St. Louis Separate Sch. Dist. Mississippi

Bond Offering—J. Cyril Glover, City Clerk, will receive sealed bids until 11 a.m. (CST) on Feb. 11 for the purchase of $185,000 school bonds.

Biloxi Municipal Separate School District, Miss.

Bond Offering—Roy L. Elder, City Clerk, will receive sealed bids until 1:30 p.m. (CST) on Feb. 16 for the purchase of $2,000,000 school bonds. Dated March 1, 1959. Due on March 1 from 1960 to 1984 inclusive. Principal and interest payable at a banking institution designated by the successful bidder. Legality approved by Charles & Trauernicht, of St. Louis.

Lowndes County (P. O. Columbus), Mississippi

Bonds Not Sold—Bids for the $53,000 County Lake Purchase bonds offered Feb. 2 were rejected.

Due serially from 1960 to 1963 inclusive.

Natchez Separate Municipal School District, Miss.

Bond Sale—The $1,500,000 school building bonds offered Feb. 3 were awarded to a group headed by the First National Bank of Memphis.

Due serially from 1960 to 1984 inclusive.

Picayune Separate School District, Mississippi

Bond Sale—The $40,000 school improvement bonds offered Feb. 4—v. 189, p. 393—were awarded to Alvis & Co., as 3⅛s.

Washington County (P. O. Greenville), Miss.

Bond Offering—A. D. Brooks, Clerk of Board of Supervisors, will receive sealed bids until 11 a.m. (CST) on Feb. 10 for the purchase of $350,000 road and bridge bonds. Due serially from 1961 to 1966 inclusive.

MONTANA

Carbon County, Fromberg High School District No. 6 (P. O. Billings), Mont.

Bond Offering—Bids will be received until 8 p.m. (MST) on Feb. 24 for the purchase of $100,000 school bonds, it is reported.

NEW HAMPSHIRE

Berlin, N. H.

Note Sale—The $300,000 notes offered Feb. 2—v. 189, p. 650—were awarded to the Boston Safe Deposit & Trust Co., at 1.938% discount.

Dover, N. H.

Bond Offering — Norman T. Brownlee, Director of Finance, will receive sealed bids at the First National Bank of Boston, 45 Milk St., Boston, until 11 a.m. (EST) on Feb. 25 for the purchase of $1,000,000 sewer bonds. Dated March 1, 1959. Due on March 1 from 1960 to 1979 inclusive. Principal and interest payable at the First National Bank of Boston. Legality approved by Storey, Thorndike, Palmer & Dodge, of Boston.

NEW JERSEY

Harrington Park School District, New Jersey

Bond Offering — Sherwood D. Spevey, Secretary of the Board of Education, will receive sealed bids until 8 p.m. (EST) on Feb. 17 for the purchase of $320,000 school bonds. Dated Oct. 1, 1958. Due on Oct. 1 from 1959 to 1978 inclusive. Principal and interest (A-O) payable at the Closter National Bank & Trust Co., Closter. Legality approved by Caldwell, Marshall, Trimble & Mitchell, of New York City.

Monroe Township (P. O. Williamstown), N. J.

Bond Offering—Alfred G. Scott, Secretary of the Board of Education, will receive sealed bids until 7:30 p.m. on Feb. 19 for the purchase of $1,235,000 school building bonds. Dated June 1, 1957. Due on Dec. 1 from 1959 to 1977 inclusive. Principal and interest (J-J) payable at the Camden Trust Co., Camden. Legality approved by Hawkins, Delafield & Wood, of New York City.

New Jersey Turnpike Authority (P. O. New Brunswick), N. J.

Issues Annual Report — An increase in traffic and revenues, the start of retirement of General bonds as well as additional retirements of Second Series bonds, highlighted the 1958 report of the New Jersey Turnpike Authority to Governor Robert B. Meyner and the State Legislature.

Traffic in 1958, totaled 41,615,115 revenue vehicles, a new record, and an increase of 6% compared with the previous year when the total was 39,269,643 vehicles. The toll revenues in 1958 were $30,159,491, an increase of 3.9% against the previous year, reported Commissioners Joseph Morecraft, Jr., Chairman; Cornelius E. Gallagher, Vice-Chairman and Angus M. Harris, Treasurer.

The daily average revenue traffic in 1958 was 114,014 vehicles which corresponded to 107,588 in 1957. The average vehicle trip on the Turnpike was 29.6 miles against 30.6 miles in 1957, and the average toll revenue per vehicle 72.5 cents against 73.9 cents in the previous year.

All revenues in 1958, including those from tolls ($30,159,491); from concessions ($2,400,793) and income from investments as well as other income, totaled $34,114,718. It compared with $32,840,440 in 1957.

During 1958, additional second series bonds of $12,949,000 par value were retired. The total compares with $13,480,000 par value of bonds retired at the end of 1957. These bring total retirements to $29,910,000 at the end of 1958.

"Market conditions being favorable, the Authority purchased these bonds in the open market at an average cost of $96.58 per $100," reported Commissioners Morecraft, Gallagher and Harris. This cost compared with the call prices of these bonds of 103 prior to July 1, 1958 and of 102½ subsequent thereto.

"In accordance with the provision of the Bond Resolution, the Authority is called upon to provide necessary moneys to retire $5,513,000 in the 12-month period ended Nov. 15, 1959. A start of this retirement was made in December of last year when $2,125,000 par value of these bonds (of which $12,000 were for delivery after Dec. 31) was purchased in the open market at an average cost of $95.132 per $100. The call price is $100. It is confidently anticipated that full provision will have been made for this $5,513,000 prior to May 1, 1959," the Commissioners report.

Net revenue after expenses in 1958 provides a coverage of 1.92 times the bond interest cost for the year, with all reserves filled. The daily average gross revenue in 1958 was $93,465. The daily average required to pay all interest on bonds outstanding at Dec. 31, 1958; the retirement of General Bonds 3¼%-1950 issue in the amount of $5,513,000; and the operating expenses of the Authority for the year is $71,885.

Emphasis in 1958 continued to be focused on further improving safety factors for patrons using the Turnpike. The safety record was good, in spite of increased traffic in that year. There were 1,004 accidents of all kinds equal to a rate of 81.0 per 100 million miles of travel, compared with 1,045 in 1957, equal to a rate of 86.6. For both years, the rates were far below those of the State's and the nation's highways as a whole.

Of fatal accidents there were 24 in 1958 in which 30 persons lost their lives, a fatality rate of 2.42 for each 100 million miles. In 1957 there were 20 fatal accidents, causing death to 24 per-

sons, equal to a rate of 1.99 per 100 million.

The State Police rendered 53,311 aids to patrons whose cars ran out of gasoline, for mechanical troubles, tire repairs, overheating and other causes. An average of 146 aids per day were rendered compared with 142 in 1957.

There were 19,406 speeding arrests in 1958 against 18,096 in 1957 whereas other traffic arrests numbered 7,014 compared to 5,355. The total arrests in 1958 were 28,685, including 2,265 criminal arrests, against 25,144 in 1957.

Of major importance from the standpoint of safety in 1958, was the installation of extensive barriers in the median to prevent cars which get out of control from crossing to the opposing lanes. In 1957 and early in 1958, such barriers were erected on the Hackensack and Passaic Rivers. The Authority also has decided to extend the barrier north from Elizabeth, where a three mile barrier was installed in 1958, to the Passaic River, a distance of 6 miles. Contract bids will be sought shortly.

It is contemplated, moreover, that in the northern end of the Turnpike, where traffic is heavy, the barrier ultimately will extend to Ridgefield Park. Also under study is a plan of remote control of the 63 weather warning signs. These signs are now operated manually along the Turnpike.

Perth Amboy, N. J.

Bond Offering—Donald F. Olsen, Director of Revenue and Finance, will receive sealed bids until 11 a.m. (EST) on Feb. 25 for the purchase of $200,000 school bonds. Dated March 1, 1959. Due on March 1 from 1960 to 1969 inclusive. Principal and interest (M-S) payable at the City Treasurer's office. Legality approved by Caldwell, Marshall, Trimble & Mitchell, of New York City.

Pompton Lakes School District, New Jersey

Bond Offering—James S. Harden, Secretary of the Board of Education, will receive sealed bids until 8 p.m. (EST) on Feb. 18 for the purchase of $975,000 school bonds. Dated Aug. 1, 1958. Due on Aug. 1 from 1959 to 1988 inclusive. Principal and interest (F-A) payable at the First National Bank & Trust Co. of Paterson, in Pompton Lakes. Legality approved by Hawkins, Delafield & Wood, of New York City.

Runnemede School District, N. J.

Bond Sale—The $255,000 school bonds offered Jan. 29—v. 189, p. 393 — were awarded to Boland, Saffin & Co., and the Camden Trust Company, of Camden, jointly, as 4s, at a price of 100.39, a basis of about 3.94%.

Washington Twp. School District (P. O. Washington), N. J.

Bond Sale—The $23,000 school building bonds offered Feb. 3—v. 189, p. 529—were awarded to the First National Bank of Washington, as 2.40s.

Wood-Ridge School District, N. J.

Bond Offering—Guy G. Visconti, Secretary of the Board of Education, will receive sealed bids until 8 p.m. (EST) on Feb. 18 for the purchase of $915,000 school building bonds. Dated Nov. 1, 1958. Due on Nov. 1 from 1959 to 1978 inclusive. Prinicpal and interest (M-N) payable at the Wood - Ridge National Bank of Wood-Ridge. Legality approved by Reed, Hoyt, Washburn & McCarthy, of New York City.

NEW YORK

Brookhaven, Ridge Fire District (P. O. Ridge), N. Y.

Bond Offering—Marion Ferrantello, District Treasurer, will receive sealed bids until 3 p.m. (EST) on Feb. 27 for the purchase of $24,000 fire truck bonds. Dated Feb. 1, 1959. Due on Feb. 1 from 1960 to 1964 inclusive. Principal and interest (F-A) payable at the Peoples National Bank, of Patchogue. Legality approved by Vandewater, Sykes, Heckler & Galloway, of New York City.

Colton (P. O. Colton), N. Y.

Bond Sale — The $86,000 highway garage bonds offered Feb. 3 —v. 189, p. 650—were awarded to Roosevelt & Cross, as 3¼s, at a price of 100.01, a basis of about 3.24%.

Hilton, N. Y.

Bond Sale—The $92,000 public parking area and street improvement bonds offered Feb. 4—v. 189, p. 650—were awarded to Roosevelt & Cross, Inc., and John J. DeGolyer & Co., jointly, as 3½s, at a price of 100.19, a basis of about 3.46%.

Houghton College (P. O. Houghton), N. Y.

Bond Sale—The $390,000 nontax exempt dormitory revenue bonds offered Jan. 30—v. 189, p. 529 — were sold to the Federal Housing and Home Finance Agency, as 2¾s, at a price of par.

Islip Union Free School District No. 7 (P. O. Oakdale), N. Y.

Bond Offering — Arthur E. Premm, Jr., President of the Board of Education, will receive sealed bids until 11 a.m. (EST) on Feb. 11 for the purchase of $1,570,000 school construction bonds. Dated Feb. 15, 1959. Due on Feb. 15 from 1960 to 1989 inclusive. Principal and interest (F-A) payable at the Oystermen's Bank & Trust Co., Sayville. Legality approved by Sullivan, Donovan, Hanrahan, McGovern & Lane, of New York City.

Monroe County Water Authority (P. O. Rochester), N. Y.

Bond Offering — Franklin W. Judson, Chairman, will receive sealed bids until 11 a.m. (EST) on Feb. 17 for the purchase of $13,200,000 water revenue bonds. Dated Feb. 1, 1959. Due on Feb. 1 from 1961 to 1999 inclusive. Callable as of Feb. 1, 1969. Principal and interest (F-A) payable at the Marine Midland Trust Co., New York City, or at the Lincoln Rochester Trust Co., Rochester. Legality approved by Reed, Hoyt, Washburn & McCarthy, of New York City, and Nixon, Hargrave, Devans & Day, Counsel to the Authority.

Monroe, Woodbury, Bloomington Grove, Chester and Tuxedo Central School District No. 1 (P. O. Central Valley), N. Y.

Bond Sale—The $700,000 school building bonds offered Feb. 4 —v. 189, p. 650—were awarded to Halsey, Stuart & Co., Inc., as 3.40s, at a price of 100.28, a basis of about 3.37%.

New York City, N. Y.

Note Sale — Comptroller Lawrence E. Gerosa has awarded $25,000,000 tax anticipation notes to 20 banks and trust companies participating as members of The City of New York short term financing group. The awards consisted of an authorized issue of $15,000,000 dated Jan. 29, 1959, payable May 11, 1959, subject to redemption on or after May 1, 1959; and an authorized issue of $10,000,000 to be dated Feb. 4, 1959, payable May 11, 1959, subject to redemption on or after May 1, 1959. The notes bear interest at the rate of 2% and are subject to redemption at the option of the Comptroller upon notice given five days prior to such redemption date.

The participating banks and the Notes allotted are: The Chase Manhattan Bank $5,483,000; The First National City Bank of New York $5,257,000; Chemical Corn Exchange $2,280,000; Manufacturers Trust Company $2,270,000; Guaranty Trust Company of New York $2,108,000; Bankers Trust Company $2,075,000; Irving Trust Company $1,350,000; The Hanover Bank $1,277,000; J. P. Morgan & Co., Inc. $702,000;

The New York Trust Company $620,000; Marine Midland Trust Company of New York $427,000; The Bank of New York $405,000; Grace National Bank of New York $145,000; Empire Trust Company $132,000; United States Trust Company of New York $120,000; Sterling National Bank & Trust Co. of New York $98,000; Federation Bank & Trust Co. $98,000; The Amalgamated Bank of New York $65,000; Kings County Trust Company, Brooklyn, N. Y. $58,000; Underwriters Trust Company $30,000.

New York City Housing Authority, New York

Note Offering—Chairman William Reid announces that the Authority will receive sealed bids until 1 p.m. (EST) on Feb. 10 for the purchase of $24,095,000 temporary loan notes (Issue CLXI). Dated March 16, 1959. Due on Sept. 21, 1959. Payable at the Chemical Corn Exchange Bank, of New York City. Legality approved by Sullivan, Donovan, Hanrahan, McGovern & Lane, of New York City.

New York City Housing Authority, New York

Note Offering—Chairman Wm. Reid announces that the Authority will receive sealed bids until 1 p.m. (EST) on Feb. 17 for the purchase of $43,108,000 temporary notes, as follows:

$35,855,000 One Hundred Forty-third Issue. Due on June 12, 1959.
7,253,000 One Hundred Forty-fourth Issue. Due on Sept. 11, 1959.

Each issue of notes will be dated March 10, 1959. Payable at the Chemical Corn Exchange Bank, of New York City. Legality approved by Caldwell, Marshall, Trimble & Mitchell, of New York City.

New York (State of)

Bond Offering — Arthur Levitt, State Comptroller, will receive sealed bids until Feb. 18 for the purchase of $60,000,000 bonds, as follows:

$24,000,000 highway bonds.
18,000,000 higher educational facilities bonds.
18,000,000 mental health construction bonds.

Oyster Bay, Locus Valley Fire Dist. (P. O. Locust Valley), New York

Bond Sale—The $75,000 building bonds offered Jan. 29—v. 189, p. 530 — were awarded to the Matinecock Bank of Locust Valley, as 3¼s, at a price of 100.01, a basis of about 3.24%.

Rochester, N. Y.

Bond Offering—Emmett V. Norton, City Comptroller, will receive sealed bids until 2 p.m. (EST) on Feb. 11 for the purchase of $4,925,000 bonds, as follows:

$450,000 public parking garage bonds. Due on March 1 from 1960 to 1973 inclusive.
2,500,000 inner loop land acquisition bonds. Due on March 1 from 1960 to 1973 inclusive.
125,000 sanitary sewer system bonds. Due on March 1 from 1960 to 1972 inclusive.
850,000 sewage treatment plant bonds. Due on March 1 from 1960 to 1973 inclusive.
1,000,000 public parking garage bonds. Due on March 1 from 1960 to 1973 inclusive.

Dated March 1, 1959. Principal and interest (M-S) payable at The Hanover Bank, of New York City. Legality approved by Reed, Hoyt, Washburn & McCarthy, of New York City.

Seneca Falls, N. Y.

Bond Offering—Patrick F. Cammuso, Village Treasurer, will receive sealed bids until 11 a.m. (EST) on Feb. 10 for the purchase of $440,000 public improvement bonds. Dated March 1, 1959. Due on Sept. 1 from 1959 to 1977 inclusive. Principal and interest (M-S) payable at the Lincoln National Bank & Trust Company of Syracuse, in Seneca Falls. Legality approved by Vandewater, Sykes, Heckler & Galloway, of New York City.

Troy, N. Y.

Bond Sale—The $1,403,000 bonds offered Feb. 5—v. 189, p. 651—were awarded to a group composed of the Marine Trust Co. of Western New York, Buffalo, Northern Trust Co., Chicago, W. H. Morton & Co., Shearson, Hammill & Co., and John Small & Co., as 3½s, at a price of 100.34, a basis of about 3.43%.

NORTH CAROLINA

Alamance County (P. O. Graham), North Carolina

Bond Offering—W. E. Easterling, Secretary of Local Government Commission, will receive sealed bids at his office in Raleigh until 11 a.m. (EST) on Feb. 17 for the purchase of $3,500,000 school building bonds. Dated March 1, 1959. Due on March 1 from 1960 to 1979 inclusive. Principal and interest (M-S) payable at the Chase Manhattan Bank, of New York City. Legality approved by Mitchell, Pershing, Shetterly & Mitchell, of New York City.

Note — The foregoing supplements the report in our issue of Feb. 2—v. 189, p. 651.

Guilford County (P. O. Greensboro), N. C.

Note Sale—The $3,000,000 school building bond anticipation notes offered Feb. 3—v. 189, p. 651—were awarded to the Wachovia Bank & Trust Co., Winston-Salem, at 2.20% interest, plus a premium of $157.

High Point, N. C.

Bond Sale—The $2,200,000 bonds offered Feb. 3—v. 189, p. 530—were awarded to a syndicate headed by the Chemical Corn Exchange Bank, New York City, at a price of 100.039, a net interest cost of about 3.16%, as follows:

$1,700,000 water bonds: $900,000 3s, due on March 1 from 1960 to 1970 inclusive; and $800,000 3¼s, due on March 1 from 1971 to 1978 inclusive.
500,000 street improvement bonds: $290,000 3s, due on March 1 from 1960 to 1970 inclusive; and $210,000 3¼s, due on March 1 from 1971 to 1977 inclusive.

Others in the syndicate: Goldman, Sachs & Co.; Eastman Dillon, Union Securities & Co.; Alex. Brown & Sons; Model, Roland & Stone; F. W. Craigie & Co.; Security National Bank, of Greensboro; Thomas & Co.; Burns, Corbett & Pickard, Inc.; McCormick & Co., and Rambo, Close & Kerner, Inc.

Spencer, N. C.

Bond Sale—The $263,000 sanitary sewer bonds offered Jan. 27 —v. 189, p. 530—were awarded to Merrill Lynch, Pierce, Fenner & Smith, at a price of par, a net interest cost of about 4.30%, as follows:

$48,000 6s. Due on June 1 from 1960 to 1967 inclusive.
45,000 4s. Due on June 1 from 1968 to 1970 inclusive.
165,000 4¼s. Due on June 1 from 1971 to 1981 inclusive.
5,000 3½s. Due on June 1, 1982.

Wilson, N. C.

Bond Sale—The $82,000 bonds offered Feb. 3—v. 189, p. 651—were awarded to F. W. Craigie & Co., Inc., at a price of 100.06, a net interest cost of about 2.70%, as follows:

$62,000 sanitary sewer bonds: $5,000 4s, due Feb. 1, 1960; $17,000 2½s, due on Feb. 1 from 1961 to 1963 inclusive; and $40,000 2¾s, due on Feb. 1 from 1964 to 1967 inclusive.
20,000 general bonds: $5,000 4s, due Feb. 1, 1960; and $15,000 2½s, due on Feb. 1 from 1961 to 1963 inclusive.

NORTH DAKOTA

Dwight, N. Dak.

Bond Offering — George M. Swanstrom, Village Clerk, will receive bids until Feb. 9 for the purchase of $2,500 street improvement bonds. Dated Jan. 1, 1959. Due on Jan. 1, 1972. Interest J-J.

Fargo, N. Dak.

Bond Offering — The City will receive sealed bids until 11 a.m. (CST) on Feb. 24 for the purchase of $637,000 refunding improvement bonds. Dated Jan. 1, 1959. Due on April 1 from 1960 to 1980 inclusive. Bonds due in 1975 and thereafter are callable as of April 1, 1974. Principal and interest payable at the City Treasurer's office. Legality approved by Dorsey, Owen, Scott, Barber & Marquart, of Minneapolis.

Note — The foregoing supplements the report in our issue of Feb. 2—v. 189, p. 651.

OHIO

Amherst, Ohio

Bond Offering—Robert L. Renouard, Village Clerk, will receive sealed bids until noon (EST) on Feb. 17 for the purchase of $40,300 special assessment sewer improvement bonds. Dated Feb. 1, 1959. Due on Dec. 1 from 1960 to 1969 inclusive. Principal and interest (J-D) payable at the Lorain County Savings & Trust Co., Amherst. Legality approved by Squire, Sanders & Dempsey, of Cleveland.

Bath-Richfield Local School Dist. (P. O. West Richfield), Ohio

Bond Offering—Lester Swartz, Clerk of the Board of Education, will receive sealed bids until noon (EST) on Feb. 19 for the purchase of $750,000 school building bonds. Dated March 1, 1959. Due on Dec. 1 from 1960 to 1982 inclusive. Principal and interest (J-D) payable at the First National Bank of Akron.

Berea, Ohio

Bond Sale—The street improvement bonds totaling $65,000 offered Jan. 27 — v. 189, p. 198 — were awarded to McDonald & Co., as 3½s, at a price of 100.90, a basis of about 3.32%.

Columbus, Ohio

Bond Offering — Russell D. Drake, City Clerk, will receive sealed bids until 11:30 a.m. (EST) on Feb. 11 for the purchase of $83,106.60 special assessment street improvement bonds. Dated March 1, 1959. Due on March 1 from 1961 to 1970 inclusive. Principal and interest (M-S) payable at the City Treasurer's office. Legality approved by Bricker, Evatt, Barton, Eckler & Niehoff, of Columbus.

Additional Offering—The above official also will receive sealed bids at the same time for the purchase of $67,600 special assessment street improvement bonds. Dated March 1, 1959. Due on Sept. 1 from 1959 to 1960 inclusive. Principal and interest (M-S) payable at the City Treasurer's office. Legality approved by Bricker, Evatt, Barton, Eckler & Niehoff, of Columbus.

Doctors Hospital (P. O. Columbus), Ohio

Bond Offering—H. E. Clybourne, Treasurer of Board of Trustees, will receive sealed bids until 10 a.m. (EST) on Feb. 19 for the purchase of $115,000 non-tax exempt intern apartment revenue bonds. Dated April 1, 1958. Due on April 1 from 1961 to 1998 inclusive. Interest A-O. Legality approved by Squire, Sanders & Dempsey, of Cleveland.

Leipsic Local School District, Ohio

Bond Offering — Donald Place, Clerk of the Board of Education, will receive sealed bids until noon (EST) on Feb. 25 for the purchase of $300,000 school improvement bonds. Dated March 1, 1959. Due on Dec. 1 from 1960 to 1979 inclusive. Principal and interest (J-D) payable at the Bank of Leipsic County, Leipsic. Legality approved by Squire, Sanders & Dempsey, of Cleveland.

Logan Elm Local School District (P. O. Logan), Ohio

Bond Sale—An issue of $940,000 school improvement bonds was sold to a group composed of Sweney Cartwright & Co., Hayden, Miller & Co., Fahey, Clark & Co., Stranahan, Harris & Co., and Wm. J. Mericka & Co., as 3¾s, at a price of 100.93.

Lorain, Ohio

Bond Offering—Joseph J. Mitock, City Auditor, will receive sealed bids until noon (EST) on Feb. 16 for the purchase of $481,-800 bonds, as follows:

$260,000 water works improvement bonds. Due on Nov. 1 from 1960 to 1979 inclusive.

36,000 water main construction bonds. Due on Nov. 1 from 1960 to 1964 inclusive.

134,000 special assessment street paving bonds. Due on Nov. 1 from 1960 to 1969 inclusive.

51,800 storm and sanitary sewer construction bonds. Due on Nov. 1 from 1960 to 1964 inclusive.

Dated March 1, 1959. Principal and interest (M-N) payable at the City Treasurer's office. Legality approved by Squire, Sanders & Dempsey, of Cleveland.

Maple Heights, Ohio

Bond Sale—The $829,000 bonds offered Feb. 3—v. 189, p. 530—were awarded to McDonald & Co., as 4¼s, at a price of 101.76, a basis of about 4.09%.

Massillon, Ohio

Bond Sale—The $49,800 street improvement bonds offered Jan. 30—v. 189, p. 530—were awarded to Braun, Bosworth & Co., Inc., as 3s, at a price of 100.34, a basis of about 2.88%.

Miamisburg City School District, Ohio

Bond Offering—Clerk James F. Bartlett announces that the Board of Education will receive sealed bids until 7 p.m. (EST) on Feb. 24 for the purchase of $650,000 school improvement bonds. Dated March 1, 1959. Due semi-annually on June and Dec. 1 from 1960 to 1982 inclusive. Principal and interest payable at the First National Bank, of Miamisburg. Legality approved by Peck, Shaffer & Williams, of Cincinnati.

Mifflin Township (P. O. 124 Church Street, Ashland), Ohio

Bond Offering—Orlo H. Wolf, Township Clerk, will receive sealed bids until noon (EST) on Feb. 10 for the purchase of $20,000 fire equipment bonds. Dated Jan. 1, 1959. Due on Dec. 1 from 1960 to 1969 inclusive. Principal and interest (J-D) payable at the Farmers Bank of Ashland. Legality approved by Squire, Sanders & Dempsey, of Cleveland.

North Royalton Local Sch. District Ohio

Bond Sale—The $320,000 school improvement bonds offered Feb. 4—v. 189, p. 394—were awarded to Fox, Reusch & Co., Inc., as 4¼s, at a price of 100.68, a basis of about 4.19%.

Oak Harbor, Ohio

Bond Sale—The $230,000 sewer bonds offered Feb. 3—v. 189, p. 651—were awarded to J. A. White & Co., as 4s, at a price of 101.59, a basis of about 3.88%.

Vardue Local School District, Ohio

Bond Sale—The $345,000 building bonds offered Jan. 29—v. 189, p. 395—were awarded to the Ohio Company, as 3¾s, at a price of 100.20, a basis of about 3.66%.

Warrensville Heights, Ohio

Bond Offering—Laura A. Shurmer, Village Clerk-Treasurer, will receive sealed bids until noon (EST) on Feb. 23 for the purchase of $19,844 improvement bonds. Dated March 1, 1959. Due on Dec. 1 from 1960 to 1969 inclusive. Principal and interest (J-D) payable at the Central National Bank of Cleveland.

Waverly Local Sch. District, Ohio

Bond Sale—The $750,000 building bonds offered Feb. 4—v. 189, p. 530—were awarded to a group composed of Magnus & Co., W. E. Hutton & Co., Westheimer & Co., Berman, Selonick & Co., Einhorn & Co., and John W. Reinhart & Co., as 4¼s, at a price of 100.69, a basis of about 4.17%.

Westerville, Ohio

Bond Offering—Leland R. Orendorff, City Manager, will receive sealed bids until noon (EST) on Feb. 17 for the purchase of $86,500 special assessment street improvement bonds. Dated March 1, 1959. Due on Dec. 1 from 1960 to 1969 inclusive. Principal and interest (J-D) payable at the Central National Bank of Cleveland. Legality approved by Squire, Sanders & Dempsey, of Cleveland.

Woodlawn, Ohio

Bond Sale—The $35,000 Riddle Road bridge bonds offered Jan. 13—v. 188, p. 2791—were awarded to Magnus & Company, as 4s.

OKLAHOMA

South Coffeyville, Okla.

Bond Sale—The $100,000 sewer system bonds offered Feb. 3—v. 189, p. 651—were awarded to Honnold Co.

Woodward, Okla.

Bond Sale—The $230,000 sewage disposal plant and sanitary sewer, also hospital addition bond offered Feb. 3—v. 189, p. 530—were awarded to the Bank of Woodward.

OREGON

Eugene, Oregon

Bond Offering—Daniel O. Potter, City Recorder, will receive sealed bids until 10 a.m. (PST) on Feb. 9 for the purchase of $100,000 fire station alarm system bonds. Dated March 1, 1959. Due on March 1 from 1960 to 1974 inclusive. Principal and interest (M-S) payable at the City Treasurer's office.

Multnomah County, Lynch School Dist. No. 28 (P. O. Portland), Ore.

Bond Offering—Dora L. Stevis, District Clerk, will receive sealed bids until 8 p.m. (PST) on Feb. 19 for the purchase of $495,000 school building bonds. Dated Jan. 15, 1959. Due on Jan. 1 from 1960 to 1974 inclusive. Principal and interest (J-J) payable at the County Treasurer's office. Legality approved by Shuler, Sayre, Winfree & Rankin, of Portland.

Portland, Oregon

Bond Sale—The $1,000,000 harbor facilities rehabilitation and modernization bonds offered Feb. 3—v. 189, p. 530—were awarded to a group composed of the Harris Trust & Savings Bank, Chicago, Chase Manhattan Bank, Bankers Trust Co., both of New York City, and Hess & McFaul, at a price of 100.05, a net interest cost of about 2.99%, as follows:

$178,000 4¼s. Due on March 15 from 1961 to 1963 inclusive.

338,000 2.80s. Due on March 15 from 1964 to 1968 inclusive.

151,000 3.90s. Due on March 15, 1969 and 1970.

333,000 3s. Due on March 15 from 1971 to 1974 inclusive.

Umatilla County School Dist. No. 61 (P. O. Stanfield), Ore.

Bond Offering—Neva E. Clark, District Clerk, will receive sealed bids until 8 p.m. (PST) on Feb. 19 for the purchase of $110,000 school building bonds. Dated April 1, 1959. Due on April 1 from 1960 to 1974 inclusive. Principal and interest (A-O) payable at the County Treasurer's office. Legality approved by Shuler, Sayre, Winfree & Rankin, of Portland.

Washington County School District No. 7 (P. O. Hillsboro), Ore.

Bond Offering—Vida Goodman, District Clerk, will receive sealed bids until 7:30 p.m. (PST) on Feb. 16 for the purchase of $635,000 school building bonds. Dated April 1, 1959. Due on April 1 from 1960 to 1979 inclusive. Principal and interest (A-O) payable at the County Treasurer's office. Legality approved by Shuler, Sayre, Winfree & Rankin, of Portland.

PENNSYLVANIA

Chartiers Valley Joint Sch. District Authority (P. O. Bridgeville), Pa.

Bond Sale — School building revenue bonds totaling $3,285,000 were purchased via negotiated sale on Jan. 27 by a syndicate headed by Moore, Leonard & Lynch, as follows:

$1,485,000 serial bonds, for $30,-000 2½s, due on Sept. 1, 1961; $30,000 2¾s, due on Sept. 1, 1962; $30,000 3s, due on Sept. 1, 1963; $35,000 3.10s, due on Sept. 1, 1964; $50,000 3.20s, due on Sept. 1, 1965; $50,000 3.30s, due on Sept. 1, 1966; $50,000 3.40s, due on Sept. 1, 1967; $55,000 3½s, due on Sept. 1, 1968; $55,000 3.60s, due on Sept. 1, 1969; $55,000 3.70s, due on Sept. 1, 1970; $60,000 3.80s, due on Sept. 1, 1971; $60,000 3.90s, due on Sept. 1, 1972; $65,000 3.95s, due on Sept. 1, 1973; $65,000 4s, due on Sept. 1, 1974; $135,-000 4.05s, due on Sept. 1, 1975 and 1976; $150,000 4.10s, due on Sept. 1, 1977 and 1978; $160,000 4.15s, due on Sept. 1, 1979 and 1980; $170,000 4.20s, due on Sept. 1, 1981 and 1982; and $180,000 4¼s, due on Sept. 1, 1983 and 1984.

1,800,000 term bonds, as 4½s, due on Sept. 1, 1998.

Dated March 1, 1959. Principal and interest (M-S) payable at the Bridgeville Trust Company, of Bridgeville. Legality approved by Burgin, Perry & Pohl, of Pittsburgh.

Other members of the syndicate: John Nuveen & Co., Blair & Co., Inc., Ira Haupt & Co., Hornblower & Weeks, Arthurs, Lestrange & Co., Butcher & Sherrerd, Singer, Deane & Scribner, Stroud & Co., Inc., Thomas & Co., A. E. Masten & Co., Allison-Williams Co., Bache & Co., C. C. Collings & Co., Cunningham, Schmertz & Co., Inc., Dolphin & Co., Hulme, Applegate & Humphrey, Inc., Kay, Richards & Co., Steele, Haines & Co., Reed, Lear & Co., McJunkin, Patton & Co., McKelvy & Co., and Simpson, Emery & Co., Inc.

Chambersburg, Pa.

Bond Offering — G. B. Jacobs, Secretary of the Town Council, will receive sealed bids until 7:30 p.m. (EST) on Feb. 26 for the purchase of $350,000 general obligation improvement bonds. Dated March 15, 1959. Due on March 15 from 1961 to 1974 inclusive. Principal and interest payable at the Borough Treasurer's office. Legality approved by Townsend, Elliott & Munson, of Philadelphia.

Erie, Pa.

Bond Offering—Eugene Graney, City Clerk, will receive sealed bids until 11 a.m. (EST) on Feb. 18 for the purchase of $2,785,000 general obligation improvement and refunding bonds. Dated March 15, 1959. Due on March 15 from 1960 to 1989 inclusive. Callable as of March 15, 1975. Principal and interest payable at the Security-Peoples Trust Co., Erie. Legality approved by Townsend, Elliott & Munson, of Philadelphia.

Erie School District, Pa.

Bond Sale—The $625,000 general obligation refunding bonds offered Feb. 4—v. 189, p. 531—were awarded to Eastman Dillon, Union Securities & Co., and Hornblower & Weeks, jointly, as 3¼s, at a price of 100.30, a basis of about 3.21%.

Lower Moreland Twp. (P. O. 640 Red Lion Road, Huntingdon Valley), Pa.

Bond Offering—Myrtle J. Ivins, Township Secretary, will receive sealed bids until 8 p.m. (EST) on Feb. 9 for the purchase of $100,000 general obligation improvement bonds. Dated March 1, 1959. Due on Sept. 1 from 1960 to 1969 inclusive. Legality approved by Morgan, Lewis & Bockius, of Philadelphia.

Newport Township School District (P. O. Wanamie), Pa.

Bond Sale—The $28,000 general obligation bonds offered Feb. 3—v. 189, p. 651—were awarded to Walter, Woody & Heimerdinger, as 5¼s, at a price of 100.25, a basis of about 5.20%.

Pine Twp. School Authority (P. O. R. D. No. 1, Gibsonia), Pa.

Bond Offering—David Buttermore, Secretary, will receive sealed bids until 7:30 p.m. (EST) on Feb. 17 for the purchase of $1,600,000 school building revenue bonds, as follows:

$750,000 bonds. Due on March 1 from 1961 to 1984 inclusive. Callable as of March 1, 1964.

850,000 bonds. Due March 1, 1999. Callable.

The bonds are dated March 1, 1959. Principal and interest (M-S) payable at the Mellon National Bank & Trust Co., Pittsburgh. Legality approved by Burgwin, Ruffin, Perry & Pohl, of Pittsburgh.

Warwick Township School District (P. O. Jamison), Pa.

Bond Offering—Hazel Charles, Secretary of Board of School Directors, will receive sealed bids until 8 p.m. (EST) on Feb. 18 for the purchase of $100,000 general obligation bonds. Dated March 1, 1959. Due on March 1 from 1961 to 1980 inclusive. Principal and interest payable at the Doylestown National Bank & Trust Company, in Doylestown. Legality approved by Townsend, Elliott & Munson, of Philadelphia.

RHODE ISLAND

Board of Trustees of State College (P. O. Providence), R. I.

Bond Sale—An issue of $704,000 dormitory revenue bonds was sold to the Federal Housing and Home Finance Agency, as 2¾s, at a price of par.

Pawtucket, R. I.

Note Offering—Sealed bids will be received by the Director of Finance until 5 p.m. (EST) on Feb. 11 for the purchase of $500,000 notes. Dated Feb. 16, 1959. Due June 24, 1959.

SOUTH CAROLINA

Aynor, S. C.

Bond Offering—Mayor Mrs. P. B. Huggins announces that the Town Council will receive sealed bids until noon (EST) on Feb. 17 for the purchase of $114,000 general obligation waterworks bonds. Dated Oct. 1, 1958. Due on Oct. 1 from 1961 to 1988 inclusive. Interest A-O. Legality approved by Sinkler, Gibbs & Simons, of Charleston.

Union, S. C.

Bond Sale — The $800,000 combined public utility system revenue bonds offered Feb. 3—v. 189, p. 395—were awarded to a group headed by Courts & Co., as follows:

$185,000 4s. Due on March 1 from 1964 to 1969 inclusive.

275,000 3½s. Due on March 1 from 1970 to 1976 inclusive.

340,000 3¾s. Due on March 1 from 1977 to 1983 inclusive.

Others in the account: Johnson, Lane, Space & Co., J. M. Dain & Co., Inc., Newman, Brown & Co., Inc., Clement A. Evans & Co., Inc., J. W. Tindall & Co., and Howard C. Traywick & Co.

TENNESSEE

Loudon, Tenn.

Bond Offering—Doug Watkins, City Recorder, will receive sealed bids until 11 a.m. (CST) on Mar. 10 for the purchase of $75,000 electric system revenue bonds. Dated Dec. 1, 1958. Due on Dec. 1 from 1960 to 1974 inclusive. Callable as of June 1, 1964. Principal and interest payable at the Hamilton National Bank, Knoxville. Legality approved by Chapman & Cutler, of Chicago.

Wilson County, West Wilson Utility Dist. (P. O. Mt. Juliet), Tennessee

Bond Offering—J. A. Gifford, Secretary, will receive sealed bids until 2 p.m. (CST) on Feb. 14 for the purchase of $450,000 waterworks revenue bonds. Dated June 1, 1958. Due on June 1 from 1961 to 1993 inclusive. Bonds due in 1966 and thereafter are callable as of June 1, 1965. Payable at the First American National Bank, of Nashville, or at the option of the holder, at the First National City Bank, of New York City. Legality approved by Chapman & Cutler, of Chicago.

TEXAS

Bridgeport Indep. School District, Texas

Bond Sale — The $160,000 unlimited tax school bonds offered Jan. 29 were awarded to the Municipal Securities Co., and Eddleman-Pollok Co., jointly, at a price of 100.01, a net interest cost of about 3.77%, as follows:

$67,000 3½s. Due on Feb. 10 from 1960 to 1967 inclusive.

20,000 3¼s. Due on Feb. 10, 1968 and 1969.

73,000 3⅞s. Due on Feb. 10 from 1970 to 1975 inclusive.

Fort Worth, Texas

Bond Offering—Roy A. Bateman, City Secretary-Treasurer, will receive sealed bids at the office of J. F. Davis, City Manager, until 2 p.m. (CST) on Feb. 25 for the purchase of $2,600,000 water and sewer revenue bonds, as follows:

$750,000 Series 86 bonds. Due on March 1 from 1960 to 1984 inclusive.

1,850,000 Series 90 bonds. Due on March 1 from 1960 to 1984 inclusive.

The bonds are dated March 1, 1959 and are callable as of March 1, 1970. Principal and interest (M-S) payable at the Hanover Bank, New York City. Legality approved by Reed, Hoyt, Washburn & McCarthy, of New York City.

Harris County (P. O. Houston), Texas

Bond Sale—The $8,000,000 bonds offered Feb. 5—v. 189. p. 652—were awarded as follows:

$6,000,000 road bonds to a syndicate headed by the Harris Trust & Savings Bank, Chicago, at a price of 100.04, a net interest cost of about 3.24%, as follows: $1,500,000 3½s, due on March 1 from 1960 to 1964 inclusive; $1,200,-000 3s, due on March 1 from 1965 to 1968 inclusive; $2,100,-000 3¼s, due on March 1 from 1969 to 1975 inclusive; and $1,200,000 3.30s, due on March 1 from 1976 to 1979 inclusive.

2,000,000 Flood Control District bonds to a syndicate headed by Halsey, Stuart & Co., Inc., at a price of 100.02, a net interest cost of about 3.37%, as follows: $300,000 5s, due on March 1 from 1960 to 1962 inclusive; $400,000 3¼s, due on March 1 from 1963 to 1966 inclusive; $200,000 3s, due on March 1, 1967 and 1968; $300,-000 3¼s, due on March 1 from 1969 to 1971 inclusive; and $800,000 3.40s, due on March 1 from 1972 to 1979 inclusive.

Syndicate Members

Associates of the Harris Trust & Savings Bank are as follows: Chase Manhattan Bank, Bankers Trust Co., both of New York; C. J. Devine & Co., Philadelphia National Bank, of Philadelphia; Merrill Lynch, Pierce, Fenner & Smith, Bear, Stearns & Co., Schoellkopf, Hutton & Pomeroy, Inc., Dominick & Dominick, W. E. Hutton & Co., W. H. Morton & Co., Inc., Fidelity Union Trust Co., of Newark; Kean, Taylor & Co., Laurence M. Marks & Co., Spencer

Trask & Co., Mercantile National Bank at Dallas, E. F. Hutton & Co., Eddleman-Poollok Co., Hannahs, Ballin & Lee, Dewar, Robertson & Pancoast, A. Webster Dougherty & Co., and Dempsey-Tegeler & Co.

Associates of **Halsey, Stuart & Co., Inc.** are as follows: Blair & Co., Inc., Kidder, Peabody & Co., Eastman Dillon, Union Securities & Co., Equitable Securities Corporation, John Nuveen & Co., Hornblower & Weeks, R. S. Dickson & Co., Inc., Baxter & Co., Dittmar & Co., George K. Baum & Co., Fort Worth National Bank, of Fort Worth; Moroney, Beissner & Co., Fahnestock & Co., Lovett Abercrombie & Co., R. H. Goodwin & Co. and Tilney & Co.

Henderson County Junior College District (P. O. Athens), Tex.

Bond Sale—An issue of $13,000 refunding bonds was sold to the East Texas Investment Company, as 5s. Dated Jan. 15, 1959. Due on Jan. 15, 1976. Interest J-J. Legality approved by McCall, Parkhurst & Crowe, of Dallas.

Irving Independent School District, Texas

Bond Offering—Jas. T. Young, President of the Board of Trustees, will sell at public auction at 7:30 p.m. (CST) on Feb. 10, an issue of $1,500,000 unlimited tax school house bonds. Dated Feb. 1, 1959. Due on Feb. 1 from 1960 to 1993 inclusive. Callable as of Feb. 1, 1979. Principal and interest (F-A) payable at the Mercantile National Bank, Dallas, or at the Irving State Bank, Irving. Legality approved by McCall, Parkhurst & Crowe, of Dallas.

Lufkin, Texas

Bond Sale—The $110,000 general obligation fire station bonds offered Feb. 3 were awarded to Eddleman-Pollok Co.

Dated Feb. 1, 1959. Due on Feb. 1 from 1973 to 1975 inclusive. Principal and interest (F-A) payable at the Mercantile National Bank of Dallas. Legality approved by McCall, Parkhurst & Crowe, of Dallas.

Marshall, Texas

Bond Offering—Mack V. Runnels, City Manager, will receive sealed bids until 2 p.m. (CST) on Feb. 12 for the purchase of $500,000 water and sewer system revenue bonds. Dated Feb. 15, 1959. Due on June 15 from 1960 to 1988 inclusive. Callable as of June 15, 1979. Legality approved by Dumas, Huguenin & Boothman, of Dallas.

San Saba County (P. O. San Saba), Texas

Bond Sale—The $70,000 hospital bonds offered Feb. 4 were awarded to Dittmar & Co.

San Antonio, Texas

Bond Offering—J. Frank Gallagher, City Clerk, will receive sealed bids until 11 a.m. (CST) on Feb. 16 for the purchase of $3,000,000 water revenue bonds. Dated Jan. 1, 1959. Due on May 1 from 1969 to 1983 inclusive. Callable as of May 1, 1969. Principal and interest (M-N) payable at the First National Bank of San Antonio; Harris Trust & Savings Bank, Chicago; or at the Guaranty Trust Co., New York City. Legality approved by McCall, Parkhurst & Crowe, of Dallas.

VERMONT

Essex Junction Graded School District, Vt.

Bond Offering—Mildred Barnes, District Treasurer, will receive sealed bids until 2 p.m. (EST) on Feb. 11 for the purchase of $140,000 school improvement bonds. Dated March 1, 1959. Due on March 1 from 1960 to 1979 inclusive. Payable at the Montpelier National Bank, Montpelier, or at the Merchants National Bank, of Boston. Legality approved by Philip R. MacCausland, of Essex Junction, and Peter Giuliani, of Montpelier.

Middlebury College (P. O. Middlebury), Vt.

Bond Sale — The $390,000 nontax exempt dormitory revenue bonds offered Jan. 30—v. 189, p. 532 — were sold to the Federal Housing and Home Finance Agency, as 3s, at a price of par.

VIRGINIA

Arlington County (P. O. Arlington), Va.

Bond Sale—The $3,516,000 bonds offered Feb. 4—v. 189, p. 532—were awarded to a group composed of Phelps, Fenn & Co., Inc., Hornblower & Weeks, Mason-Hagan, Inc., F. S. Smithers & Co., J. C. Wheat & Co., Dominick & Dominick, Mercantile Safe Deposit & Trust Co., Baltimore, Julien Collins & Co., Stein Bros. & Boyce, Ferris & Co., and Mason & Lee, Inc., at a price of 100.07, a net interest cost of about 3.33%, as follows:

$1,170,000 street and highway bonds: $295,000 5s, due on Aug. 1 from 1959 to 1962 inclusive; $330,000 3s, due on Aug. 1 from 1963 to 1968 inclusive; $270,000 3¼s, due on Aug. 1 from 1969 to 1973 inclusive; and $275,000 3.40s, due on Aug. 1 from 1974 to 1978 inclusive.

770,000 sewer bonds: $90,000 5s, due on Aug. 1 from 1960 to 1962 inclusive; $240,000 3s, due on Aug. 1 from 1963 to 1968 inclusive; $200,000 3⅛s, due on Aug. 1 from 1969 to 1973 inclusive; and $240,000 3.40s, due on Aug. 1 from 1974 to 1979 inclusive.

423,000 storm water drainage bonds: $103,000 5s, due on Aug. 1 from 1959 to 1962 inclusive; $120,000 3s, due on Aug. 1 from 1963 to 1968 inclusive; $100,000 3¼s, due on Aug. 1 from 1969 to 1973 inclusive; and $100,000 3.40s, due on Aug. 1 from 1974 to 1978 inclusive.

250,000 sidewalk bonds: $60,000 5s, due on Aug. 1 from 1959 to 1962 inclusive; $75,000 3s, due on Aug. 1 from 1963 to 1968 inclusive; $65,000 3⅛s, due on Aug. 1 from 1969 to 1973 inclusive; and $50,000 3.40s, due on Aug. 1 from 1947 to 1978 inclusive.

560,000 library bonds: $100,000 5s, due on Aug. 1 from 1959 to 1962 inclusive; $120,000 3s, due on Aug. 1 from 1963 to 1968 inclusive; $145,000 3⅛s, due on Aug. 1 from 1969 to 1973 inclusive; and $150,000 3.40s, due on Aug. 1 from 1974 to 1978 inclusive.

293,000 park bonds: $98,000 5s, due on Aug. 1 from 1959 to 1962 incluusive; $120,000 3s, due on Aug. 1 from 1963 to 1968 inclusive; and $75,000 3⅛s, due on Aug. 1 from 1969 to 1973 inclusive.

50,000 county building land acquisition bonds: $40,000 5s, due on Aug. 1 from 1959 to 1962 inclusive; and $10,000 3s, due on Aug. 1, 1963.

Hanover County (P. O. Hanover), Virginia

Bond Offering—J. Gordon Bennett, Secretary of the State Commission on Local Debt, will receive sealed bids at the Commission's office, Room 222, Finance Bldg., Capital Squire, Richmond, until noon (EST) on Feb. 18 for the purchase of $605,000 school bonds. Dated March 1, 1959. Due on March 1 from 1960 to 1979 inclusive. Principal and interest (M-S) payable at the First and Merchants National Bank of Richmond. Legality approved by Wood, King & Dawson, of New York City.

WASHINGTON

Klickitat County Port District No. 1 (P. O. Goldendale), Wash.

Bond Offering — O. R. Kreps, Secretary, will receive sealed bids until 2 p.m. (PST) on Feb. 6 for the purchase of $37,000 general obligation improvement bonds. Dated Feb. 1, 1959. Due on Feb. 1 from 1961 to 1979 inclusive. Callable after 10 years from date of issue. Legality approved by Preston Thorgrimson & Horowitz of Seattle.

Pierce County, Clover Park School District No. 400 (P. O. Tacoma), Washington

Bond Offering—L. R. Johnson, County Treasurer, will receive sealed bids until 2 p.m. (PST) on Feb. 17 for the purchase of $700,000 general obligation school building bonds. Dated March 1, 1959. Due on March 1 from 1961 to 1979 inclusive. Callable after 10 years from date of issue. Principal and interest (M-S) payable at the County Treasurer's office. Legality approved by Preston, Thorgrimson & Horowitz, of Seattle.

Snohomish County, Edmonds Sch. District No. 15 (P. O. Everett), Washington

Bond Sale—The $300,000 general obligation bonds offered Jan. 29—v. 189, p. 532—were awarded to a group headed by the Seattle-First National Bank, of Seattle.

WISCONSIN

Greendale Union High School Dist., Wisconsin

Bond Offering — Kenneth R. Meyer, District Clerk, will receive sealed bids at the office of von Briesen & Redmond, 135 W. Wells St., Milwaukee, until 4 p.m. (CST) on Feb. 19 for the purchase of $450,000 corporate purpose bonds. Dated March 1, 1959. Due on March 1 from 1960 to 1979 inclusive. Principal and interest (M-S) payable at the Marine National Exchange Bank, Milwaukee. Legality approved by Quarles, Herriott & Clemens of Milwaukee.

Greendale Common School District, Wisconsin

Bond Offering — Florence H. Ringland, District Clerk, will receive sealed bids at the office of von Briesen & Redmond, 135 W. Wells St., Milwaukee 3, until 4 p.m. (CST) on Feb. 19 for the purchase of $450,000 corporate purpose bonds. Dated March 1, 1959. Due on March 1 from 1960 to 1979 inclusive. Principal and interest (M-S) payable at the Marine National Exchange Bank of Milwaukee. Legality approved by Quarles, Herriott & Clemens, of Milwaukee.

Harrison, Ellenboro, Lima and Platteville (Towns) Joint School District No. 1 (P. O. Platteville), Wis.

Bond Sale—The $80,000 school site and building bonds offered Feb. 3 — v. 189, p. 532 — were awarded to Braun, Monroe & Co., at a price of 100.12.

Milwaukee County (P. O. Milwaukee), Wis.

Bond Sale — The $14,029,000 bonds offered Feb. 2—v. 189, p. 532—were awarded, as follows:

Group I

$5,931,000 metropolitan sewerage bonds to a syndicate headed by the Northern Trust Company, of Chicago, and the First National City Bank, of New York City, as 2.90s, at a price of 100.17, a basis of about 2.87%.

Group II

2,000,000 Milwaukee County expressway bonds to a syndicate headed by J. P. Morgan & Co., Inc., and Phelps, Fenn & Co., as 2.40s, at a price of 100.18, a basis of about 2.32%.

Group III

6,098,000 various purpose bonds to a syndicate headed by the First National Bank, of Chicago, as 2.70s, at a price of 100.19, a basis of about 2.65%.

Syndicate Members

Other members of the **Northern Trust Company, of Chicago,** and the **First National City Bank, of New York City, syndicate:** Chase Manhattan Bank, of New York, Harris Trust & Savings Bank, of Chicago, Bankers Trust Co., of New York, First Boston Corp., Chemical Corn Exchange Bank, of New York, Salomon Bros. & Hutzler, Kuhn, Loeb & Co., R. W. Pressprich & Co., White, Weld & Co., Wertheim & Co., Seattle-First National Bank, of Seattle, Marine Trust Co. of Western New York, Buffalo, Brown Bros. Harriman & Co., Alex. Brown & Sons.

Mercantile - Safe Deposit & Trust Co., of Baltimore, National State Bank of Newark, Andrews & Wells, Inc., City National Bank & Trust Co., of Chicago, Bacon, Whipple & Co., Marshall & Ilsley Bank, and Marine National Exchange Bank, both of Milwaukee, Wm. E. Pollock & Co., Inc., Fahnestock & Co., Auchincloss, Parker & Redpath, and Wood, Gundy & Co., Inc.

Other members of the **J. P. Morgan & Co., Inc.,** and **Phelps, Fenn & Co.,** syndicate: Goldman, Sachs & Co., Shields & Co., Stone & Webster Securities Corp., Paine, Webber, Jackson & Curtis, Ladenburg, Thalmann & Co., Dean Witter & Co., Schoellkopf, Hutton & Pomeroy, Inc., B. J. Van Ingen & Co., Clark, Dodge & Co., Braun, Bosworth & Co., Inc., Laidlaw & Co., Reynolds & Co., Dominick & Dominick, Bache & Co., Stroud & Co., Inc.

Allen & Co., McCormick & Co., Butcher & Sherrerd, Folger, Nolan, Fleming-W. B. Hibbs & Co., Van Alstyne, Noel & Co., Stern, Lauer & Co., Rockland-Atlas National Bank, of Boston, Boland, Saffin & Co., Byrd Brothers, Cunningham, Schmertz & Co., Inc., and J. M. Dain & Co., Inc.

Other members of the **First National Bank, of Chicago,** syndicate: Harriman Ripley & Co., Inc., Drexel & Co., Blyth & Co., Inc., Glore, Forgan & Co., Smith, Barney & Co., Mercantile Trust Co. of St. Louis, A. G. Becker & Co., Inc., Lee Higginson Corp., L. F. Rothschild & Co., Robert W. Baird & Co., Inc., The Illinois Company, Roosevelt & Cross, Trust Co., of Georgia, Atlanta, The Milwaukee Co., R. H. Moulton & Co., Julien Collins & Co., Bacon, Stevenson & Co.

Fitzpatrick, Sullivan & Co., Ernst & Co., J. A. Hogle & Co., Industrial National Bank, of Providence, First National Bank, of Minneapolis, First National Bank, of St. Paul, Raffensperger, Hughes & Co., Inc., Malon S. Andrus, Inc., Burns, Corbett & Pickard, Inc., Farwell, Chapman & Co., Third National Bank in Nashville, Allan Blair & Co. and Loewi & Co

CANADA

ONTARIO

Otonabee Township, Ontario

Bond Sale—An issue of $100,000 improvement bonds was sold to the Bankers Bond Corp., Ltd., and the Toronto Dominion Bank, jointly, as 5¾s, at a price of 99.31. Due on Jan. 15 from 1960 to 1979 inclusive. Interest J-J.

QUEBEC

Beaconsfield, Quebec

Bond Sale—An issue of $252,500 building bonds was sold to Dawson, Hannaford, Ltd., at a price of 97.62, a net interest cost of about 5.70%, as follows:

$109,000 5s. Due on Feb. 1 from 1960 to 1968 inclusive.

143,500 5½s. Due on Feb. 1, 1969.

Dated Feb. 1, 1959. Interest F-A.

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EDITORIAL

As We See It

There are substantial and influential groups in this country who apparently cannot feel comfortable or confident about the future so long as the expenditures of the Federal Government do not exceed income. This reverence for an unbalanced budget is a tribute to the teachings of John Maynard Keynes (later Lord Keynes) and the preachings of Franklin Roosevelt and his brain trusts. There is much reason to suspect that Lord Keynes would now regard much of the current programs as "modernism turned sour and silly." What Franklin Roosevelt would think of them would not be easy to guess. His actions and his policies were never easy to forecast. There is, however, no room for doubt that many if not most of those who are today proud to call him master see more virtue in unbalanced budgets than in any sort of pay-as-you-go program.

With each boast from Moscow, there comes a new and more doleful wail that we shall never "catch up" with the Soviets and can never hope to be as secure as we might be so long as we insist upon balancing the Federal budget. To hear a good many of these critics talk, one would suppose that there was some sort of magic in a fiscal deficit. The cry that we are not spending enough on defense is heard far more often than that we are not doing enough. When the representatives of each of the service arms say, as is quite usual, that whatever the others are getting, they are not getting as much money as they should have—well more grist is supplied to the critic's mill. Unemployment apparently lingering somewhat longer than had been expected strangely adds to the need to spend more for this,

Continued on page 28

Recession, Recovery and Maximum Economic Growth

By WILLIAM McCHESNEY MARTIN, JR.*
Chairman, Federal Reserve System

Country's monetary head makes clear we must: (1) have budgetary surpluses and not deficits in prosperous times; (2) cease using the banking "high road to monetary inflation"; and (3) end the cost-push price spiral, if we are to show the world that a free economy can outperform totalitarian economies in achieving real progress without inflation. Mr. Martin reviews Federal Reserve's efforts over the past 16-month period of recession and recovery; denies that facing up to inflation means being blind to economic growth; outlines bank's role in aiding Treasury financing and dollar stability; and warns that inflationary expectations deter savings and that currency debasement imperils our free institutions.


W. McC. Martin, Jr.

When I testified before the Joint Economic Committee last year, on behalf of the Federal Reserve Board, economic activity in this country was receding. Contraction in output and employment was general. Unemployment was rising at a disturbing pace. No one could be sure how far downward adjustment would go, or how long it would last.

We pointed out then that, with the exception of the catastrophic recession of the 'Thirties, every moderate cyclical decline since World War I had been checked in the course of a year. It was further emphasized that many forces were present in the economy that were favorable to eventual recovery. But at that time we did not know, nor did we then expect, the vigorous recovery would so soon be in full swing, and that contraction from 1957 levels of activity would be shorter in duration than most

Continued on page 34

*Statement by Mr. Martin before the Joint Economic Committee, Washington, D. C., Feb. 6, 1959.

Our Fiscal Situation and Its Impact on the Economy

By HON. ROBERT B. ANDERSON*
Secretary of the Treasury

Country's fiscal chief explains why he is most concerned about the size of the recession-induced deficit and the attitude that we need not balance the budget. Denying that paying our way now is being negative, Mr. Anderson narrows the country's fiscal problem down to the fact that the association of deficits to inflation will keep people from saving and, also, that orderly finances is the key to the free world's strength. Turning to assumptions underlying the budget, the Treasury head expects: (1) slightly less vigorous recovery than that of post-1954 recession; and (2) $374 billion personal income and $47 corporate profits in 1959. Says rejection of major tax cuts last Spring has been vindicated by events.


Robert B. Anderson

I welcome the opportunity to discuss the government's fiscal outlook and some of its implications for the nation's economy. First, I should like to discuss the budget for the fiscal year 1960. We estimate total receipts of $77.1 billion. Of this total, $40.7 billion is expected to come from individual income taxes, and $21.4 billion from corporation income taxes. The assumptions for the calendar year 1959 underlying these figures are $374 billion for personal income, and $47 billion for corporate profits.

These income assumptions were arrived at after careful studies and consultations utilizing all data and judgment available both inside and outside the government. The increases they represent imply a continued vigorous recovery, but at a slightly lesser rate than we experienced after the 1954 recession. Somewhat larger revenue gains, too, were

Continued on page 36

*Statement by Mr. Anderson before the Joint Economic Committee, Washington, D. C., Feb. 5, 1959.

PICTURES IN THIS ISSUE — Candid photograps taken on the occasion of the 35th Annual Dinner of the BOSTON SECURITIES TRADERS ASSOCIATION appear in today's PICTORIAL SECTION.

The Security I Like Best

A continuous forum in which, each week, a different group of experts in the investment and advisory field from all sections of the country participate and give their reasons for favoring a particular security.

(The articles contained in this forum are not intended to be, nor are they to be regarded, as an offer to sell the securities discussed.)

HUBERT F. ATWATER

Wood, Walker & Company, New York City

Members N. Y. Stock Exchange

Hercules Galion Products Inc.

This business which had its inception in 1905, adopted the present name of Hercules Galion Products, Inc. in 1955 upon the merger of Hercules Steel Products Corporation and Central Ohio Steel Products Co. Both companies had plants at Galion, O., near Cleveland. On Oct. 1, 1956, the Kingham Trailer Co. of Louisville, Kentucky was acquired and is operated as a wholly-owned subsidiary.

Hubert F. Atwater

Hercules Galion makes many products for the road building industry, including telescopic dump trucks, batch trucks, mobile concrete mixers, a line of hoists and other heavy duty equipment as well as special vehicles for refuse removal, vans, steel and lightweight bodies and trailers.

Other products are heat proof burial vaults finished in either porcelain or copper, and kitchen equipment for commercial installations.

In the field of contract work, Hercules machines and partially assembles the mechanism of one of the popular pin-spotter machines.

Hercules has 835,845 shares of common stock and two small preferred stock issues, one of which is convertible and has a sinking fund. Debt consists of $2,000,000 5¼% notes due 1972 held by an insurance company, and $640,000 subordinated 5% notes issued in connection with the acquisition of the Kingham Trailer Co.

Now, no one boasts that the heavy duty truck and trailer business was satisfactory in the period which the 1958 annual reports of major companies refer to as the "late business recession." Hercules Galion suffered with the rest of the industry, but closed its fiscal year on Sept. 30, 1958 with a net profit after taxes of $108,000.

This is not a good showing when compared with the previous year's net of $741,000, but the financial position of the company is strong and the market for its products has improved.

The period of unsettlement in the heavy industry field embraces almost all of the 12 months of Hercules Galion's fiscal year 1958. Since the first of October the demand for its products has increased and the first fiscal quarter should show a considerable improvement over the previous year.

I find attraction in Hercules Galion stock because of the evident opportunity for improvement in earnings. Furthermore, the stock strikes a popular note. The price $5, the dividend 5 cents quarterly since 1953. The stock is listed on the American Stock Exchange.

ALAN C. POOLE

Research Analyst

Hemphill, Noyes & Co., N. Y. City

Ranco Incorporated

Growth with a 5% yield is a rare commodity these days and yet one may find this combination in the common stock of "Ranco" Incorporated listed on the New York Stock Exchange, selling around 24, and paying a $1.20 dividend to yield 5%. Possible reason why this stock sells so low is that it may not be fully seasoned as it has only been in public hands since 1955. Yet all the ingredients of an interesting growth situation exist. Taking statistics dating back to 1948 we find an unbroken earnings and dividend record. More interesting is the fact that in the ten year period 1948-57 sales increased 210% and net income after taxes increased 251%. Peak sales in 1957 were slightly under the $30 million mark so there is still plenty of room for growth.

Alan C. Poole

"Ranco" felt the effects of the recent recession. For the fiscal year ended Sept. 30, 1958, sales dropped 12½% and net income after taxes 36%. Nevertheless the $1.74 per share earned amply covered the $1.20 annual dividend and this now appears to be in no jeopardy as there is every evidence of improved operations. In fact, judging from the company's record of approximately a 50% payout of earnings, a dividend increase could be only a couple of years away.

Finances are sound, with cash and equivalent in excess of current liabilities and current assets twice current liabilities and long-term outstanding.

What is likely to make "Ranco" grow in the future is what made it grow in the past—a participation in the expanding field of temperature controls. Much of "Ranco's" business depends on the automotive and air conditioning industries and these should fare well in 1959. Furthermore the company is conducting an active research program for new products. Temperature controls are certainly likely to have wider uses in the future. Diversification through the acquisition of Wilcolator Co., a manufacturer of gas and electric oven controls, will broaden "Ranco's" operations and could add $5,000,000 to their annual sales. If this new acquisition returns as great a percentage net income on sales as present operations, per share earnings for "Ranco" would be increased even after allowing for deletion of the common stock outstanding needed to make the acquisition.

Finally "Ranco's" international operations could play an important part in the company's earnings and growth. The refrigeration industry is growing rapidly in Europe. "Ranco" has subsidiaries in Scotland and Italy. Its associate, Australian Controls Ltd. (40% owned) is also showing remarkable progress.

In 1959 "Ranco's" earnings should exceed the $2 per share level. A stock selling at less than 12 times potential earnings with a 5% yield offers an unusually good value for an equity of a company with truly great growth potential. The common stock of "Ranco" looks like one of the best opportunities for capital appreciation in 1959.

This Week's Forum Participants and Their Selections

Hercules Galion Products, Inc. — Hubert F. Atwater, of Wood, Walker & Co., New York City. (Page 2)

Ranco Incorporated — Alan C. Poole, Research Analyst, Hemphill, Noyes & Co., New York City. (Page 2)

COMING EVENTS

In Investment Field

Feb. 17, 1959 (New York City)
Association of Customers' Brokers 20th anniversary dinner meeting at the Hotel Delmonico.

Feb. 19, 1959 (Chicago, Ill.)
Bond Club of Chicago 48th annual meeting and dinner at the University Club.

Feb. 24, 1959 (Detroit, Mich.)
Bond Club of Detroit 43rd annual dinner at the Detroit Boat Club.

Feb. 26, 1959 (Philadelphia, Pa.)
Investment Traders Association of Philadelphia-Security Traders Association of New York annual Bowling Match.

Feb. 27, 1959 (Philadelphia, Pa.)
Investment Traders Association of Philadelphia 35th annual midwinter dinner in the Grand Ballroom of the Bellevue-Stratford Hotel, preceded by a member-guest luncheon at 12 o'clock).

Mar. 22-27, 1959 (Philadelphia, Pa.)
Seventh annual session Institute of Investment Banking.

April 1-3, 1959 (San Antonio, Tex.)
Texas Group of Investment Bankers Association of America annual meeting at the Hilton Hotel.

April 3, 1959 (New York City)
New York Security Dealers Association 33rd annual dinner at the Waldorf-Astoria.

Apr. 10, 1959 (Toronto, Canada)
Toronto Bond Traders Association annual dinner at the King Edward Hotel.

April 29-30-May 1, 1959 (St. Louis, Mo.)
St. Louis Municipal Dealers Group annual spring party at the Sunset Country Club.

June 18, 1959 (Minneapolis-St. Paul, Minn.)
Twin Cities Bond Club 38th annual picnic and outing at White Bear Yacht Club, White Bear Lake, Minn. (preceded by a cocktail party June 17 at the Nicollet Hotel, Minneapolis).

Nov. 2-5, 1959 (Boca Raton, Fla.)
National Security Traders Association Annual Convention at the Boca Raton Club.

Common Stocks and Inflation

By MARTIN E. ROONEY
Assistant Professor of Finance, North Texas State College;
Registered Investment Adviser

Professor Rooney maintains inflation fears, rather than profits or amount of investible funds, constitute most important factor motivating present common stock buying at "heretofore outlandish" prices. Points out some factors undermining functioning of common stocks as permanent good anti-inflation hedge. Rejects widespread assumption of an indefinitely continuing moderate inflation. Foresees following long-term course of events, if government fails to take definitive corrective measures: (1) in 1959-1965 excess productive capacity and competition checking inflation, but with excess demand building up; (2) from 1965-1975, inflation becoming rampant, with "explosive" government deficits, skyrocketing of prices, and public's fear of property confiscation; and (3) finally 1975-1985, repudiation of government debt and obligations, with oncoming of totalitarian regime, and crushing of labor unions.

Between June and the end of December, 1958, all stocks listed on the New York Stock Exchange rose in market value from $225 billion to an estimated $269 billion, an increase of $44 billion, an amount equal to two and three-quarters times the estimated total corporate profits for 1958.

Martin E. Rooney

What caused this truly enormous increase?

Several reasons have been given. Corporate profits were excellent for 1955 and 1956, averaging $23 billion. In 1957 they declined to $21.8 billion. During the last quarter of 1957 and the first quarter of 1958 profits were falling sharply (about one-third) under the levels of a year earlier. In the late spring of 1958 a business recovery set in, and profits are believed to have improved sufficiently to bring the 1958 figure to $16 billion—and maybe more. For 1959 and especially the early 1960s a great boom should set in and profits ought to reach record levels. This reason we call the "profits argument." This writer does not consider this reason to have been the primary fuel behind the rise in prices.

Another cause is frequently given. Both the public and institutions have a greater amount to invest; and what is possibly of more significance, each is showing a marked disposition to invest a higher percentage in common stocks and less in bonds and mortgages. Little weight will be given to this explanation, for the writer believes it has only minor significance except as it demonstrates a tangible result of the last reason, now to be given.

The Most Important Factor

Fears of inflation are so great that investors feel driven to seek protection by buying common stocks at prices that heretofore would have seemed outlandish. This reason, regarded as most important, is referred to as the "flight from the dollar." What else could explain present public willingness to value stocks on the New York Stock Exchange at roughly $269 billion as against $69 billion 10 years ago? Profits for both years will probably be about the same, and profit recovery for 1959 is not likely to exceed (or even equal) the 40% increase in profits of 1950 over 1949.

Let us now examine the position taken by those who believe inflation will not be checked and that common stocks are going to sell for even much higher prices.

The Case for Buying Stocks As a Hedge Against More Inflation

The case for more inflation is so powerful as to be almost completely irrefutable. Since 1824 the dollar has lost 80% of its purchasing power and, since the beginning of the New Deal, 55%. Nearly all the Western World is suffering from inflation; and in Brazil, Argentina and Chile inflation is apparently out of control.

At home, voters seem to be crying for more and more handouts and to be taking an indifferent attitude concerning the consequences. Per capita national debt which stood at $156 in 1932 is 10 times that amount today. In addition, the total of consumer, housing, corporate, municipal and state debt probably exceeds $500 billion.

Necessary defense expenditures constitute a growing financial burden and many say there is no way to cut back on vast sums spent on farm and veteran assistance. Old age benefits have become a political football; and what may be worse, our foreign aid program apparently requires a never-ending stream of billions. People have begun to feel that even if we did sacrifice at home and save a billion or two, the government would simply turn around and pour the savings into some foreign aid program. So why attempt to economize?

A government policy of cheating savers through inflation in order to maintain easy money has all but destroyed a public market for bonds, at a time when the national debt proves difficult to manage and billions upon billions are financed in short-term maturities because the government just won't or can't pay the price

Continued on page 32

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Observations . . .

By A. WILFRED MAY

BULL MARKET GADGETS

"Hidden Earnings"—Again

The currently increasing practice of misusing the concept of corporate *"cash flow"*—that is, a company's net profits *plus* the amounts charged for depreciation, depletion, or amortization of capital assets—should be realistically appraised. Not as a mere technical accounting concept, but as a matter of common sense, does provision for the replacement of wearing-out capital assets constitute an inescapable cost of production. The proclivity instead to transfer such charges to earnings, and include them as a basis in price-earnings ratio calculations, is just another means of rationalizing the presently existing low earnings yields (under 5%) and dividend yields (averaging 3½%) highlighting the current inflated market levels. Ferreting out these items as a tappable source of additional earnings is our present bull market's counterpart of the gay 1920's foible of defending the fantastically high price earnings multipliers of that speculative era by allegations about mysterious "hidden earnings" (when, actually, they were overstated more often than understated).

A. Wilfred May

The "cash flow-ists" contend that the provisions for depreciation reserves have become large and since the line of demarcation between such growing reserves and real earnings is inexact, the charges for depreciation of capital assets and the earnings may as well be lumped together in a single profit figure. But this argument (1) contradicts the widespread conviction that depreciation charges permitted by the Revenue Department are generally inadequate, particularly if we are in a secular trend of higher replacement costs, and (2) in assuming that depreciation reserves are over-adequate, is directly inconsistent with the inflation-expectation which is so strongly stressed by the same bullish individuals in justifying the elevated level of stock prices. Under progressive inflation, current provisions for replacement costs would be insufficient, not excessive — thus emphatically leaving nothing in the form of unstated income.

Perhaps the most curious feature of the cash-flow doctrine is the frequency with which it is found in close association with the emphasis on growth, which customarily involves a greater outflow of capital than the inflow from depreciation.

Cash flow is of course worthy of scrutiny and recognition—particularly in cases of extraordinarily large depreciation charges, as in the oil industry and depreciation acceleration under now-ending certificates of necessity; in affording flexibility for corporate borrowing over the short term; and as an indicator of the trend of the company's financial strength. It is likewise true that the cash flow can be regarded as a short-term backing for dividends. Corporations in 1958 paid out only 31% of cash earnings. (As estimated by Standard & Poor's.)

But it should be realized that, barring company liquidation, the depreciation reserve must be used for replacements sooner or later, and hence should not be previously side tracked in any manner. To enlarge the true earnings figure by such a device constitutes another speculation-serving bull market gadget.

As a matter of fact, even in terms of cash flow are stocks now high related to the equivalently calculated price-earnings ratios during previous bull markets. As thus estimated for the current 1959 period, today's market valuation of the Dow Jones Industrial Average is higher than any other peak market period, excepting only 1929, since the 20's.

* * *

More Splitomania Items

Pre-Split Fever:—

In the case of two recently "split" open-end mutual funds, sales of the funds' shares increased materially between the time of announcement and the effective date. The shares of funds, as in the case of the general run of companies, understandably offer attraction to the public when divided into units of reduced size. But since the value of the fund's shares are mechanically and exactly tied to the clearly stated value of the underlying assets at all times, investor attempt to anticipate extra gain by reason of a *coming* split, seems quite illogical. However, reflecting the prevalent undiscriminating speculative interest in the split, the usual rate of one fund's share sales and stockholder increase actually quadrupled in the interval preceding its splitting time.

"Candidate" Behavior:—

"Once burned, no longer shy, the Lukens Steel Company was ready with a quick comment yesterday, one day after its stock had soared more than $9 a share in one trading session on the New York Stock Exchange. Stewart Huston, Vice-President and Secretary, said, "Lukens Steel Company is contemplating no stock split nor is Lukens contemplating any consolidation or merger with any other company! Both a stock split and a merger had been rumored in Wall Street recently. . . . Yesterday, Lukens shares dropped sharply after Mr. Huston's statement, to close at 80¾, down 4¾ for the day but still well above Monday's close of 76½."—From the *New York Times, Feb. 5, 1959.*

Perhaps the most plausible argument in defense of splitting lies in the assumption that a pre-split high price causes inability or unwillingness to pay the market price on the part of would-be purchasers. But this is belied in practice by the high price earnings ratios, absolutely and relatively, pertaining to the "split candidates." In fact, these higher priced issues have often actually been selling at 30 to 50 times earnings—as a result of pyramiding attending split expectations as well as quality.

CCNY Evening Courses In Inv. Principles

Two 12-week evening courses in the principles of investment for families with moderate incomes will be offered this Spring by the Extension Division of the City College School of General Studies.

The courses, including elementary and advanced classes, are entitled "Investment Guide for Moderate Incomes." Lectures and discussions will deal with the benefits and dangers of investing in stock, commodity, real estate and insurance markets. Investment portfolios will be outlined, analyzed and organized.

The elementary course begins Wednesday, March 4. The advanced class starts Tuesday, March 3. Registration is now open in branches of the New York Public Library in the Bronx, Manhattan and Staten Island. Course descriptions and instructions for enrolling by mail can be obtained by writing or calling the Extension Division, City College School of General Studies, New York 31, WAdsworth 6-5409.

G. A. Saxton Wire to Crowell, Weedon Co.

G. A. Saxton & Co., Inc., 52 Wall Street, New York City, announce the installation of a direct wire to Crowell, Weedon & Co., Los Angeles, Calif., members of the Pacific Coast Stock Exchange.

Annett & Company In New Quarters

TORONTO, Canada—Annett & Company Limited and Annett & Co., announce the removal of their offices to 220 Bay Street. Their new telephone number is Empire 3-7361.

Three Join Nikko-Kasai

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Goro Endo, Sam Sato and Kiyoshi Tanaka have joined the staff of Nikko-Kasai Securities Company, 2165 California Street.

With Albert Maguire

(Special to THE FINANCIAL CHRONICLE)

SANTA MARIA, Calif. — Emil Such has become affiliated with Albert L. Maguire, 301 South Lincoln Street.

The State of Trade and Industry

Steel Production
Electric Output
Carloadings
Retail Trade
Commodity Price Index
Food Price Index
Auto Production
Business Failures

A striking feature of the current phase of the recovery is the virtually unanimous feeling among businessmen and economists that 1959 will be a prosperous year, says the Federal Reserve Bank of Chicago in its monthly review, "Business Conditions."

The current "bullish" outlook for 1959 is so widespread, says the Bank, that dissidents are pointing to this very exuberance as a danger which could lead to a "flash flood" of boom and bust.

Whether or not the current optimism will endanger the recovery can only be answered in retrospect, but it is obvious that an exhilarating business atmosphere can produce overconfidence, with unfortunate consequences.

However, the extremes of optimism are usually most dangerous after a recovery has been under way for some time, and this upturn has been in progress only 10 months. At this stage of a recovery, expectations of improvement may help to produce the desired result.

In the present heady atmosphere of rising sales and general confidence, spending commitments of many kinds are more likely to be made. Plans for modernization or expansion are more likely to receive consideration. Apprehension over the risk of carrying a larger inventory is likely to give way to a greater concern over possible lost profits if stocks prove inadequate. Prospects of higher incomes spur consumer spending, and state and local governments are freer to tackle new projects as funds seem more readily available and needs become more apparent.

Of course, notes the Bank, there are exceptions to the optimistic views of the majority. They are found in industries, firms and communities which have not responded proportionately to the general business improvement. But recent reports from most business sectors back up the popular outlook of confidence.

In November, the book value of total business inventories rose for the first time in more than a year, and this build-up is expected to continue for some time to come.

Retail sales in December rose 4% above record levels of a year ago, and the Midwest participated fully in this late revival. The strong showing, says the Bank, virtually washed away the "first quarter blues" noted in some recent years when lagging business activity tempered enthusiasm for the spring and summer months.

New car sales rose sharply at the end of 1958, and deliveries through the first 20 days of January indicate that the month will show a substantial improvement over a year ago. This recent pickup in sales together with prospects for higher personal income have caused the industry to raise its sights on prospective output for 1959. Projections for the first quarter call for about a third more assemblies than in the same 1957 period.

Unemployment remains a nagging problem. The rise in employment was slowed in late 1958, but this was due in part to strikes and severe weather. And, the Bank adds, a further substantial rise in general activity can hardly fail to boost employment and reduce unemployment.

Unemployment Figures Rise 600,000 to 4,724,000

Yesterday the Commerce & Labor Departments reported an increase in unemployment figures to 4,724,000 persons in January, a seasonal rise of 600,000 or only half as great as the January 1958 figures when the recession was spreading. This January's jobless record was the highest for that month since the end of World War II. President Eisenhower at his news conference on Feb. 10 asserted that "I don't for one minute accept that as a satisfactory level of unemployment," and added "I believe thoroughly that we are going to have a pick-up as the year goes on."

Bank Clearings 8.5% Above Year Ago

Bank clearings in the week ended Feb. 7 will show an increase compared with a year ago. Preliminary figures compiled by the "Chronicle," based upon telegraphic advices from the chief cities of the country, indicate that for the week, clearings for all cities of the United States for which it is possible to obtain weekly clearings will be 8.5% above those of the corresponding week

Continued on page 30

Petroleum in General and Sinclair in Particular

By DR. IRA U. COBLEIGH
Enterprise Economist

Containing some notes on the improving conditions in the oil industry, and some reasons why Sinclair may merit special attention at this time.

While 1958 is being entered in the record books as a recession year, it wasn't too tough on the oil companies. Total demand for petroleum products declined only 1% below 1957. But there was a substantial squeeze in profitability due mainly to heavy overcapacity in all departments built up as a consequence of the Suez crisis. This over-capacity was reflected in more competitive selling, resulting in lowered prices for most refined products; and lead to sharp reduction in domestic allowable production in Texas and Oklahoma, and programs for quantity limitations on imported crudes. And net earnings of the oil industry were 24% below 1957. Throughout this adjustment, domestic crude prices, which had been increased 30c a barrel early in 1957, were pretty well maintained, however.


Ira U. Cobleigh

All of which is now history; but what about this year? First the weather. This has been an exceedingly cold winter and unusually heavy demands for heating oils in January and February have sharply reduced inventories, and firmed price structures. Refinery runs now enlarging the supply of heating oils automatically add to the supply of gasoline. What then about the consumption of gasoline in 1959? Passenger cars use roughly two-thirds of our gas; and commercial vehicles most of the rest, with pleasure power boats a rapidly rising market. Passenger car requirements are expected to improve this year. First, 1,500,000 more cars are expected to be delivered than in 1958; and all cars, the new as well as the old, should be driven more as our per capita income reaches an all-time high, leisure time increases, and a net work of recently constructed super-highways lures millions of trip-takers. (A minor debit in this projection is the lowered gas consumption of the smaller domestic and imported models.)

Finally, the somewhat cyclical demand for heavy oils used in electric power generating plants, steel, cement and other heavy industry mills, should be strong this year animated by the high level of general business activity in prospect.

So we may conclude that 1959 will be a substantially better oil year, with total demand rising in the order of 4% over 1958; a less burdensome inventory situation; firmer and, in many instances, rising product prices; better profit margins with total net earnings for the industry rising by perhaps 15% to 20% over the 1957 totals. Such a conjecture, while not reeking with optimism, does suggest some consideration of leading integrated oil company equities, and causes us to select one such, to wit, **Sinclair Oil Corporation** common, as possessing considerable investment merit at current market levels.

Sinclair is an exceedingly well integrated company. It has seven refineries in the United States, with a combined capacity of 453,000 barrels daily; 1,600 bulk distributing stations and a retail distribution chain of 32,000 service stations of which 14,000 are either owned outright or leased, and the balance operated by independent dealers. Sinclair benefits from low transportation costs starting with pipelines delivering crude to the refineries, and a substantial net work of pipelines carrying the refined products to centers of distribution. All this, plus an extensive tanker fleet. Since 1949 some $640 million have been spent on these transport elements, financed for the most part, out of retained earnings.

Sinclair has built up its business from the refining end, and ranks presently eighth among domestic oil companies in total refinery capacity. Because it has been a refiner on balance, Sinclair has been striving for some years to bolster its own crude oil production both at home and abroad. Its production during 1957 equalled but 34% of domestic refinery runs. A much higher production ratio has been sought; and the most important gain along that line has been achieved by Venezuelan Petroleum Co. (96% owned) which has averaged over 53,000 barrels a day in production in 1958, against 25,000 daily barrels in 1957. Between import restrictions on Venezuelan oil, and reductions of domestic allowables, however, not too much progress was possible in bolstering crude sufficiency position in 1958. This year should be better, both because of continued use in Venezuela (Barinas Tract) production, and a long-term contract recently concluded with British Petroleum for delivery of low-price Middle Eastern crude. The agreement with British Pete also includes formation of two new companies, jointly owned with British Pete. The first is a marketing company for foreign-produced crude; and the second primarily a South American exploration enterprise.

In addition to about 650,000 net producing acres in Canada and the United States, Sinclair held about 9.6 million non-producing acres. Further, Sinclair owns 30.5% of Richfield Oil Co., with rising production and interesting discoveries in Kern County, Calif., and on the Kenai Peninsula in Alaska. (Sinclair stockholdings of Richfield have a present market value of around $120 million.) Sinclair also owns 29% of the outstanding shares of Texas Pacific Coal & Oil Co. and sought merger of this company by offering 1,776,498 shares of Sinclair for the 2,753,573 remaining shares of Texas Pacific Coal & Oil (a 1 for 1.55 ratio). This offer of share exchange was not voted on by Texas stockholders, and expired Jan. 28, 1959.

For the first nine months of 1958 per share net of Sinclair was $2.31 against $4.11 for the same period in 1957. For the full year 1958 earnings of about $3.70 a share seem probable—quite a bit below the $5.18 earned in 1957, but still coverage for the present $3 dividend. Since 1949, the cash dividend has risen, with four separate increases, from $2 to $3; and dividends have been continuously paid since 1933.

Capitalization consists of $370 million in long-term debt, the most attractive issue being $167,194,500 of 4⅜s due 1986, convertible into common at $65 per share through Dec. 1. 1961 and at a higher price thereafter. This issue at 115 yields 3.8% currently, and with the common at 67 will follow the stock with considerable fidelity. As a matter of fact many stock buyers today seem to prefer entry into an attractive equity via the convertible bond, providing they do not have to pay too dearly for their dual or straddle position. For such persons, Sinclair 4⅜s represent an interesting vehicle. The lowest price in 1958 was 106¼, and the bond could sell at 155 if the common sold at 100. And, of course, the convertible has a collateral value highly respected by lending agencies.

The 15,315,730 common shares of Sinclair are listed on the New York Stock Exchange and trade under the symbol "L." 1958 price range was between 46⅜ and 65⅞. Basis for considering "L" at today's prices is that the company is emerging from its poorest earning year in a decade (1958). It is in strong cash position, and with a revolving bank credit of $150 million requires apparently no further financing for some time to come. Cash flow for 1958 should be around $10 a share, and considerable higher this year.

Except as noted in respect to crude supply, the company is well balanced with retail outlets in 42 states. The new arrangement with British Petroleum places Sinclair in touch with a fabulous store of low cost Middle Eastern crude on which fat refining profits may be gleaned if and when import restrictions on foreign crude may become less onerous. Natural gas reserves were estimated 2½ years ago at over 2½ million MCF; and they are no doubt much larger today.

Sinclair entered the elite group of companies which gross over $1 billion dollars a year, in 1954. It is an impressive and well managed organization and the common stock has grown in stature and attained a quality rating within the past decade. Assuming substantially more favorable operating results this year, Sinclair could comfortably earn between $4.25 and $4.60. This might not result in a dividend increase in the next 12 months, but would pave the way for one in 1960; and Sinclair is getting into a price range where stock splits are high fashion. Projecting a 1959 net of $4.50 per share, "L" sells today at 15 times earnings. This is not an extravagant ratio for a stock of this quality and with such a favorable long-term potential. Whether by the tankfull, or in 100 share lots, Sinclair is a desirable possession.

Three With Suburban Secs.

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio—Frank Gurkles, Eugene J. Kozell and Lawrence E. Batchlar are now with Suburban Securities Co., 732 East 200th Street.

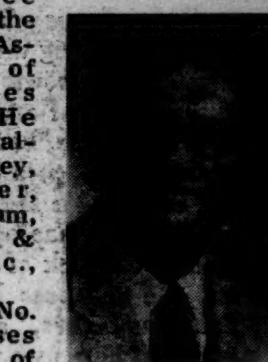
Two With Commonwealth

(Special to THE FINANCIAL CHRONICLE)

COLUMBUS, Ohio—Thomas O. Conger and Karl M. Grau are now with Commonwealth Securities Corporation, 30 East Town St.

Lorenz Chairman of NASD District No. 9

COLUMBUS, Ohio — August Lorenz, President, Lorenz & Company, Inc., Columbus, Ohio, has been elected Chairman of District Committee No. 9 of the National Association of Securities Dealers. He succeeds Walter J. Carey, Treasurer, Cunningham, Gunn & Carey, Inc., Cleveland.


August Lorenz

District No. 9 comprises the States of Ohio and Kentucky. The Association recently reclassified its districts. Until the change, Ohio and a part of Kentucky were District No. 10.

Mr. Lorenz has been associated with the securities business for 47 years. He started with the bond department of The Ohio National Bank of Columbus and was elected a Vice-President in 1922 at the age of 28. In 1926 he became a general partner of Stevenson, Vercoe, Fuller & Lorenz, and in 1942 formed his own firm.

Joseph J. Van Heyde, with the NASD office in Columbus, is Secretary of District Committee No. 10.

I. L. Brooks & Co. Expands Organization

SAN FRANCISCO, Calif. — The Pacific Coast Stock Exchange firm of I. L. Brooks Securities Co., formerly a partnership, has incorporated as I. L. Brooks & Co., Incorporated and has moved to larger quarters at 333 Pine Street, San Francisco. The firm is seeking representation throughout Northern California for its Municipal Bond and Mutual Fund divisions.

President I. L. Brooks also announced that Joseph C. Eldridge has joined the firm as Vice-President and Treasurer. Mr. Eldridge has been active in the securities business for several years and is an instructor in investments at Golden Gate College.

Joins L. A. Caunter

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio — William R. Cohen has joined the staff of L. A. Caunter & Co., Park Bldg.

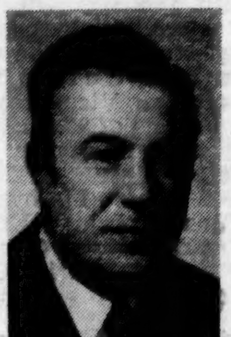
The Outlook for Business And the "Fabulous Sixties"

By WAYNE L. McMILLEN*

Associate Economist, Guaranty Trust Company of New York

Bank economist envisions a peak year for 1959, with GNP possibly exceeding $70 billion, and a half trillion economy in 1960. In outlining what will be necessary to improve our efforts toward stable growth, Mr. McMillen recommends better capital plant, equipment and inventory business planning; notes that Government, too, has been guilty of erratic purchases; praises stabilizing influence of consumer spending but observes, however, that sizable shift from durable goods to services and nondurable goods has aggravated economic maladjustments; and deplores our lack of will power in coming to grips with inflation. He discusses how we can build a solid bridge to the "Fabulous Sixties," and issues the reminder that it will not be utopia but hopes we will achieve "frequent oscillations" rather than "periodic recessions."

This year the economic forecasts are almost unanimous as to the direction of the overall economy. There are the usual shades of opinion as to the magnitude of the movement. For the first time in several years we hear no voices predicting imminent calamity although a few are concerned about the stock market.



Wayne L. McMillen

I shall endeavor not to dispense with a tedious repetition of many figures and other "boiler plate" about the outlook. Perhaps we can do three things: (a) review some of the economic phenomena of the postwar period; (b) in view of relative agreement of forecasts devote somewhat less time to 1959, and (c) venture into 1960 and beyond, outlining what will be necessary to improve our efforts toward stable growth.

The Three Postwar Recessions

All three of the postwar recessions have been mild ones, even though some individual industries were hard hit. Because they were all mild, and because government and consumer action seemed so right on each occasion, many have come to believe we have mastered the art of managing the business cycles. The same thing could happen to us that usually happens to those who think they have really mastered any art.

Since the war, the country has been in a dynamic period of growth due to recovery from the great depression and the war. This was accompanied by large population increases. In such a situation a recession may resemble an interruption of growth more than a major setback in the economy. They were less serious than they might have been and we seemed to handle them properly.

The "automatic stabilizers" were powerful aids and in recent years the monetary policy of the Federal Reserve Board has been particularly astute. In the two earlier recessions timely tax reductions were major factors in recovery, yet in 1958 in a different situation, the Administration properly resisted tax reduction and was sustained by statesman-like support of the opposition party leaders.

Yet we must not forget that in both the 1949 and 1954 recessions the tax reductions came more as political accidents than as deliberate economic measures. In 1948 a Republican Congress approaching election day, but unaware of approaching recession, enacted a tax reduction over the strenuous objections of a democratic president. In fact, he had asked for a tax increase. Both sides were surprised to find the tax measure so beautifully timed.

Much of the tax reduction in 1954 was due to the ending of the Korean War, the expiration of the excess profits tax, and reduction in some other wartime taxes. However, some of the other reductions were meant as a first step toward a still needed tax reform.

This is not to belittle our great progress in managing our economic affairs, but is only to point out that a significant part of our success has been due to good luck.

The 1949 recession was brought about principally by a decline in business purchases through liquidation of inventories, and the 1954 recession by a drastic reduction in Federal Government expenditures. The 1958 decline was brought about by a decline in business purchases of both inventory and capital products. In large part it was a durable goods and mining recession. Nondurable inventories in the aggregate were not far out of line. Retail inventories, except for a very few products were in relatively good shape when the recession began.

However, in each case consumer purchases held firm. In none of the postwar recessions did consumer spending, even at the lowest point, decline more than 1%. Of course there were shifts from durable goods to nondurables and services and this caused hardships for several industries.

In the recent recession unemployment was considerable but social security payments maintained personal income which accounted for the high level of consumer spending.

The inference by this discussion is that the next big step in the promotion of stability could come about by businessmen doing a more careful job of inventory control and more careful planning of capital expenditures. Many can make a contribution toward this objective, not only for their own companies but in a small way for the general welfare.

Different Industrial Cyclical Peaks

The most recent cycle had an interesting aspect. In the boom that preceded the decline one should not be surprised that different major industries would reach their peaks at different times. But this time one major industry after another was reaching its peak over a longer period of three years. The first industry reached its peak in December, 1954 just after recovery from the previous recession had started. The last peak came in December, 1957 long after the general decline had started. In previous recessions the peaks were spread over 12 to 16 month periods compared to the 36 months this time.

Almost all major industries reached their lows in two months — March and April 1958. It is more usual for such lows to stretch out over a period of from 8 to 12 months. This probably accounted for the relatively greater depth of this recession as well as the quick turn toward recovery rather than the more usual tendency to drag on bottom for awhile.

There has been a growing tendency for inflation to carry right through a recession which is usually considered as a deflationary period. At the trough in 1949 consumer prices had declined 2%. At the trough in 1954 they had actually **increased** 0.7% from the start of the recession. In the 1958 trough there had been an increase of 2.3%.

Recent increases in productivity have caused an interruption to the persistent price increases.

Inflation

Our failure to come to grips with the inflation threat is due not so much to a lack of knowledge as to a lack of willpower. Like sin, we are all against inflation—**as far as the other fellow is concerned.** It is not an immediate threat for the months ahead. The longer term threat, however, will diminish when and only when we destroy the pleasant delusion that in the long run we as a nation can take more from the economy than we put into it. It's almost that simple. We often hear that "mild" inflation is not so bad and may be helpful in aiding growth. Even "mild" inflation is immoral, it leads to inefficiency, and it is dangerous. It is **immoral** because it robs from big segments of our population for the selfish benefit of others. It leads to **inefficiency** when we easily cover cost increases with increases in prices. This also leads to weak resistance to unjustified wage increases. It is **dangerous** because when it is persistent and most people believe it will continue, then at some point in the process they begin to act on that belief. All begin to buy at once thus bidding up prices till "mild" inflation becomes galloping inflation with disastrous results.

We should not let the current relative stability of prices obscure the fact that this remains the biggest single domestic threat to long-term economic growth. We have three choices:

(1) (a) Continue with wage increases which outstrip increases in productivity.
(b) Validate these wages with corresponding increases in the money supply. This is conducive to full employment until grave maladjustments occur such as pricing ourselves out of the international market, the markets of fixed salary groups, pensioners, etc. If this policy continues indefinitely then comes the crash and mass unemployment.

(2) (a) Continue such unjustified wage increases but
(b) limit the supply of money so that businessmen can no longer raise prices and pass the wage increase on to the consumer. Losses imposed in this manner would also cause substantial unemployment.

(3) (a) Confine wage increases within the limits of average increases in productivity and
(b) Expand the money supply just sufficiently to permit reasonable growth under relatively stable prices.

Obviously the last alternative is the only acceptable one, but it does not appear likely that it will be our choice within the very near future — at least until we've wavered a few more years between the first two alternatives.

In order for such a policy to be successful both businessmen and labor must concede that this policy is the most hopeful approach to reasonably full employment over the long-term. The first two alternatives can lead only to periods of super-full employment followed by periods of unemployment. Not only labor but **all** segments of the economy will benefit by a wiser choice of policy.

The Outlook for 1959

The recovery in 1958 started promptly enough and was of such magnitude that the average Gross National Product for the year is estimated at about the same level as that for the year 1957.

What can we expect for 1959?

Even with moderately bad luck, the general economic level should be the highest in our history. Each quarter should exceed the preceding one except possibly for the third one in which I am afraid that we'd better allow for a steel strike. But this strike should make for a vigorous fourth quarter. With a good automobile year, our Gross National Product should average $470 billion or more as compared with an estimated $439 billion in 1958.

The consumer, Federal, state and local governments, and business will all spend more. Plant and equipment expenditures should total $32 or $33 billion as against the $30 billion of 1958. The estimated $6 billion inventory liquidation of 1958 should turn to a $2 billion or more accumulation, thus providing an $8 billion stimulus to the economy.

Consumer credit may well expand $2 billion or more. Unemployment figures will be worrisome until late in the year. Near the end of the year Housing and Agriculture which were major factors in the recovery will cease to be the dynamic factors in the expansion which they have been recently.

Corporate profits may well be the highest in history. I think we'll get some surprises next Spring when we see the profits for the last quarter of 1958. Everyone expects improvement, but I believe that the leap in profits for those months will be dramatic, and such improvement will carry over into 1959.

1960 and Beyond

The economy should be in a healthy state as it enters 1960. Reasonably full employment, only slight increases in prices, and growing investment by business are the prospect. If businessmen make major mistakes it is more likely they will do so in 1960 than in 1959.

Will businessmen early in 1960 be alert to watch inventories to prevent the possible excesses for 1961? Will they attempt to expand their facilities too rapidly? Will they become complacent about costs and nullify the efficiencies they so laboriously instituted in 1958?

If they handle these 1960 problems wisely the period beyond 1960 can be stable and excellent. If not, 1961 or 1962 may see business again slashing its purchases and we'll have another typical postwar recession.

I know from personal experience that it is much more difficult to do careful planning than it is to talk about it. However, most of us can take advantage of experience and improve our performance if the proper objective is constantly before us.

It seems to me that early 1960 is the time when the critical business decisions will be made. These decisions will determine the economic climate in 1961 and/or 1962. Our postwar experience indicates that modern recessions are **caused** more through erratic purchases by business (capital equipment and inventory) and Government than by the consumer. True the consumer aggravates the situation by switching his purchases from durables to nondurables and services during a recession.

Thus businessmen have a heavy responsibility not only to their own businesses but also to the general welfare. Perhaps some study **now** can be helpful in making those 1960 decisions. For instance a consideration of events of 1956 can aid in improving forthcoming decisions.

Inventories

Permit me to illustrate the point with an example. In one of the durable goods industries new orders of the manufacturers during the last half of 1955 were exceedingly high due to the business recovery. During early 1956 it was widely expected that there might be a steel strike in July, and that steel prices would likely increase. It was common knowledge gained through exchange of information among businessmen early in 1956 that there was considerable hedging against that possibility. Even though the actual extent of hedging was unknown, it was known to be substantial. The reasonable conclusion would have been that if the boomlike rise in final sales were going to continue for an extended period, seasonally adjusted new orders for the first six months would have been increasing substantially—first because of impending sales increases and also because of the hedging in anticipation of the steel strike.

Actually new orders were **not** increasing and in view of the known facts this should have been the first signal for caution and careful inventory planning. Perhaps some people in the industry noted this caution signal, but in view of the prevailing psychology and not being completely convinced, they merely shrugged their shoulders. But, throughout the first half of 1956 seasonally adjusted inventories in the industry continued to climb, indicating a production rate considerably higher than sales. This might well have been a second signal for caution.

The steel strike did occur in July, 1956. Because extra orders had been placed in anticipation of the strike it would be reasonable to expect that new orders would decline in July. That did happen. But one should also have expected in the vigorous general pickup in the final quarter of 1956, **that new orders would have increased.** There was no such increase in the fourth quarter. Total new orders for the last half of 1956 were 5% less than during the first half. This should have been a third signal for caution.

Sales (seasonally adjusted) levelled of but production continued throughout the year at a level higher than sales. Naturally inventories continued to rise until at the end of 1956 they were 12% above those at the beginning of the year. This was the fourth signal for caution.

Sales held up through 1957, but they were still below output for the year. Production was cut in late Spring but was increased again in the fall through November so inventories climbed 3% more in 1957.

In November of 1957 it was finally concluded that there was an inventory problem, and in December production was slashed. From November, 1957, through April, 1958, production was cut by nearly 30%. While final retail sales of the industry decreased some in 1958 they held up remarkably well, so the drastic slash in output was almost entirely due to the inventory problem. This story multiplied by repetition in hundreds of companies is in large part the story of the 1958 recession.

Slightly different decisions in 1956 would have changed the complexion of the 1958 economic picture. Better inventory management might have prevented the recession. In this example, if production had been cut 3% in 1956 and held at that level (rather than the higher level) the drastic cut in 1958 would not have been

*An address by Mr. McMillen before the Investment Outlook Meeting, Minneapolis, Minn., Jan. 16, 1959.

necessary. Of course, hindsight is 20-20, but it does seem that there were at least four warning signals in 1956. A similar situation could develop in 1960.

Capital Expenditures

We shall not take the time to explore in detail the steps leading to a slash in capital spending. However, it seems to me that we have a similar situation. Here again most of the difficulty arose in durable manufacturing and mining. Capital planning, of course, is longer-term planning. Frequently we build a plant and equip it this year. We start production the second year. Startup time, including hiring, training, working the "bugs" out of the equipment, and bringing it into full production may consume most of the second year. Much of the capital investment in 1956 was in preparation for consumer or final sales in 1958 and beyond.

Recovery from the 1954 recession started in September of that year. The historical pattern of recovery is one of rapid increase in activity for the first few months — perhaps for a year or so. This is followed by a very gradual rise for a while. There is then a levelling off which might continue for some time until maladjustments occur in inventories or in other segments of the economy. Of course, things cannot always be this neat but if one has to project the future at anytime in making decisions, the most logical guess is that such a pattern may occur.

At the beginning of 1956 there had been an uninterrupted and rapid rise for 16 months. The best assumption at that time should have been that while a rise might continue it would be much more gradual. The gradual rise would be followed by a levelling off in the economy.

Yet in 1956 increase in capital spending was one of the greatest on record. Most plants to be built that year would not be producing until 1957, and many would not come into full production until 1958. One can hardly escape the conclusion that a great portion of the plant and equipment expenditures in 1956 were made on the assumption that a rapidly rising production would be required throughout 1957 and possibly 1958. Had that happened it would have been most unusual. Hence, the mammoth increase in 1956 seemed too big.

Of course, one must make proper allowance for the fact that much of the expenditure was for improvement in efficiency rather than increase in capacity.

While one cannot be too dogmatic it seems that with more modest capital spending in 1956, the situation would not have called for the drastic decline experienced in 1958.

Such postmortems are of little use except for knowledge gained which helps us in future decisions. In late 1959 and early 1960 we may be at about a similar stage of recovery as we were in 1956. With some caution in 1960 we may be able to make 1961 and 1962 look a lot better.

We can scarcely hope to eliminate business fluctuations. But with careful business planning we can work toward a goal of "frequent oscillations" rather than rugged cycles.

Plenty of Customers

The dominant and well advertised fact about the "'60s" is that we will have another explosion in population. The babies of the "'40s" will have babies of their own. They also will establish new homes. This does not guarantee prosperity but it will be a basic ingredient that with proper domestic and international conditions can lead to unprecedented growth in business volume.

With good management the years 1960-63 can stand as a solid bridge to what some have called the fabulous "'60s."

By 1980 the population may increase by 75 to 85 million people, the equivalent of five Canadas, or five New York States.

The number of those under 17 and those over 65 will increase almost twice as fast as those 22 to 64 from whom comes the labor force. This underlines the importance of the fight against inflation. For a shortage of labor is a powerful force toward inflation. But there will be periods in this span of years when the number of people between 24 and 35 years of age will increase more rapidly than the general population. Young people may find things difficult for a few years during the late "'60s." There will be alternating ease and tightening of inflationary pressures.

With 80 million people to eat up our surplus farm crops there should not be a "farm problem," and things should get much better for the farmer long before then. He should be doing well by the middle "'60s" by which time 20 million people will be added.

In Conclusion

(1) Erratic purchases of business and government have been the causes of modern recessions.

(2) The consumer has aggravated the maladjustments by shifting a significant amount of his purchases from durable goods to services and nondurable goods. But on the whole he has been the most stabilizing element.

(3) Even mild inflation is immoral, inefficient, and dangerous. We must concede that we can't take more from the economy than we put into it.

(4) The year 1959 will in most respects be the best in history—with employment worrisome during the early months and with inflation a threat to follow (in 1960). With Gross National Product possibly exceeding $470,000 billion in 1959 it may well hit a half trillion in 1960.

(5) Businessmen bear a heavy responsibility to the general welfare by better management of inventories and better planning of capital spending.

(6) One may conclude that the mistakes of businessmen in 1956 were important factors in bringing on the recession of 1958. The mistakes of 1960 may develop into the next recession.

(7) With better business planning in 1960 we may be able to build a solid bridge to the period 1963-1970, which some have called the "Fabulous Sixties." There will be an "explosion" of new customers for business.

(8) The so-called "Fabulous Sixties" should see improvement in the "farm problem," and we should see the end of it before 1980.

(9) By 1980 we shall have added the equivalent of Japan, or five Canadas, or five New York States to our population.

(10) It will not be utopia. There will be many discomforts and a few recessions. Let us work toward a situation where we can call them "Frequent Oscillations" rather than "Periodic Recessions."

With J. Clayton Flax

(Special to THE FINANCIAL CHRONICLE)

SPRINGFIELD, Mass. — Louis B. Meadows is now with J. Clayton Flax & Co., 1562 Main Street.

Dealer-Broker Investment Recommendations & Literature

It is understood that the firms mentioned will be pleased to send interested parties the following literature:

Atomic Letter No. 45—Commenting on effects of AEC grants to colleges and universities, on radiation instrument industry, and discusses **Salem Brosius, Inc.**—Atomic Development Securities Co., Inc., 1033 Thirtieth Street, N. W., Washington 7, D. C.

Breakdown of Government Bond Portfolios of 13 New York City Banks—Bulletin—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Burnham View — Monthly Investment letter — Burnham and Company, 15 Broad Street, New York 5, N. Y. Also available is current **Foreign Letter.**

Canadian Mining Stocks—Booklet—Draper Dobie and Company Ltd., 25 Adelaide Street, West, Toronto, Canada.

Canadian Pre Budget Monetary and Fiscal Outlook—Review—E. M. Saunders Limited, Victory Building, Toronto 1, Ont., Canada.

Japan — Economic survey — Chemical Corn Exchange Bank, International Division, 165 Broadway, New York 15, N. Y.

Japanese Oil Industry—Discussion with particular reference to **Mitsubishi Oil Co., Showa Oil Co.** and **Maruzen Oil Co.** Nomura Securities Co., Ltd., 61 Broadway, New York 6, N. Y.

Japanese Stocks—Current Information——Yamaichi Securities Company of New York, Inc., 111 Broadway, New York 7, New York.

New York City Bank Stocks—Year-end comparison and analysis of 13 New York City bank stocks—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Over-the-Counter Index—Folder showing an up-to-date comparison between the listed industrial stocks used in the Dow-Jones Averages and the 35 over-the-counter industrial stocks used in the National Quotation Bureau Averages, both as to yield and market performance over a 20-year period — National Quotation Bureau, Inc., 46 Front Street, New York 4, N. Y.

Real Estate Bond and Stock Averages—Comparative figures—Amott, Baker & Co., Incorporated, 150 Broadway, New York 38, N. Y.

Refractories — Review with particular reference to **General Refractories Company** and **A. P. Green Fire Brick Company** —The Milwaukee Company, 207 East Michigan Street, Milwaukee 2, Wis.

Rubber—Report—J. R. Williston & Beane, 115 Broadway, New York 6, N. Y.

Shoe Industry — Review with particular reference to **Brown Shoe Company** and **International Shoe Company**—H. Hentz & Co., 72 Wall Street, New York 5, N. Y. Also available are memoranda on **Beaunit Mills** and **Illinois Central Railroad**, and a report on **Singer Manufacturing Company.**

Technical Trends in the Market—Analysis—Sutro Bros. & Co., 625 Madison Avenue, New York 22, N. Y.

U. S. Banks and Trust Companies — Comparative figures — A. M. Kidder & Co., Inc., 1 Wall Street, New York 5, N. Y.

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ACF Industries, Inc.—Memorandum—T. L. Watson & Co., 25 Broad Street, New York 4, N. Y.

Air Express International Corp.—Brochure—Troster, Singer & Co., 74 Trinity Place, New York 6, N. Y.

American Broadcasting Paramount—Analysis—Cohen, Simonson & Co., 25 Broad Street, New York 4, N. Y.

American Title & Insurance Co. — Memorandum — Weil & Co., 734 Fifteenth Street, N. W., Washington 5, D. C.

Arden Farms Co.—Memorandum—Bateman, Eichler & Co., 453 South Spring Street, Los Angeles 13, Calif.

Armstrong Cork Co.—Data—Herbert E. Stern & Co., 52 Wall Street, New York 5, N. Y. Also in the same circular are data on **Union Oil of California.**

Bell & Gossett Company—Analysis—Blair & Co. Incorporated, 105 South La Salle Street, Chicago 3, Ill.

Beneficial Finance Co.—Analysis—Reynolds & Co., 120 Broadway, New York 5, N. Y. Also available is a survey of **Oil Stocks**, and a report on **Union Tank Car.**

Botany Mills, Inc.—Analysis—Woolrych, Currier & Carlsen, 210 West Seventh Street, Los Angeles 14, Calif.

Burroughs Corporation — Analysis — Edwards & Hanly, 100 North Franklin Street, Hempstead, N. Y.

Chicago Rock Island & Pacific—Memorandum—Hirsch & Co., 25 Broad Street, New York 5, N. Y.

Columbian Carbon Company — Analysis — Schweickart & Co., 29 Broadway, New York 6, N. Y.

Cook Electric Co.—Memorandum—Blunt Ellis & Simmons, 208 South La Salle Street, Chicago 4, Ill.

E. I. du Pont de Nemours & Company—Review—Shearson, Hammill & Co., 14 Wall Street, New York 5, N. Y. In the same bulletin are analyses of **Blaw-Knox** and **U. S. Rubber Company.** Also available is a report on **General Development Corporation.**

Gould National Batteries, Inc.—Survey—Abraham & Co., 120 Broadway, New York 5, N. Y. Also in the same circular is a survey of **Hussmann Refrigerator Company** and **U. S. Rubber.**

Houston Corp.—Memorandum—Woodcock, Hess, Moyer & Co., 123 South Broad Street, Philadelphia 9, Pa.

Ingersoll Rand—Data—Dreyfus and Co., 50 Broadway, New York 4, N. Y. Also in the same issue are data on **Gardner Denver** and **Chicago Pneumatic Tool.**

Interstate Securities Co.—Memorandum—A. C. Allyn & Co., 122 S. La Salle Street, Chicago 3, Ill.

Loew's Inc.—Analysis—Herzfeld & Stern, 30 Broad Street, New York 4, N. Y.

Midwestern Instruments—Review—Ira Haupt & Co., 111 Broadway, New York 6, N. Y. Also available is a report on **Cessna Aircraft Co.**

National Acme—Analysis—du Pont, Homsey & Company, 31 Milk Street, Boston 9, Mass. Also in the same circular are brief analyses of **Union Bag-Camp Paper** and **Seattle First National Bank.**

National Sugar Refining Company — Annual report — National Sugar Refining Company, 100 Wall Street, New York 5, New York.

A. G. Nielsen Co.—Analysis—Alfred L. Vanden Broeck & Co., 55 Liberty Street, New York 5, N. Y. Also in the same circular are analyses of **Miles Laboratories, Stone & Webster Co.**, and **Celotex Corporation.**

Pennsalt Chemical Corporation—Analysis—Mitchell, Hutchins & Co., 1 Wall Street, New York 5, N. Y.

Plough, Incorporated — Report — Hayden, Stone & Co., 25 Broad Street, New York 4, N. Y.

Radio Corporation of America — Analysis — Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Rayonier, Inc.—Data—Oppenheimer, Neu & Co., 120 Broadway, New York 5, N. Y. Also in the same bulletin are data on **American Machine & Foundry Co.**

Sealed Power Corporation—Analysis—A. G. Becker & Co., Incorporated, 60 Broadway, New York 4, N. Y.

Signal Oil & Gas Co.—Analysis—Dean Witter & Co., 45 Montgomery Street, San Francisco 6, Calif.

Skelly Oil—Bulletin—Bache & Co., 36 Wall Street, New York 5, N. Y.

West Canadian Oil & Gas Limited—Bulletin—De Witt Conklin Organization, 120 Broadway, New York 5, N. Y.

Coast Exch. Member

The election of Francis D. Frost, Jr., general partner of Hemphill, Noyes & Co., to membership in the Pacific Coast Stock Exchange through the purchase of a membership in the Los Angeles Division, has been announced by William H. Jones, Division Chairman.

Mr. Frost has been active in the securities business since 1919. He has been associated as general partner with various firms in Los Angeles and became a general partner of Hemphill, Noyes & Co., in charge of the Los Angeles office in 1952. The principal office of his firm is in New York City, with branch offices in numerous other states and holds memberships in the New York, American, Boston and Midwest Stock Exchanges and the Chicago Board of Trade.

Two With Irving Lundborg

(Special to The Financial Chronicle)

REDWOOD CITY, Calif.—Donald W. Kirk and Charles A. Leonard are now with Irving Lundborg & Co., 710 Winslow St.

Now With Reynolds & Co.

(Special to The Financial Chronicle)

SAN FRANCISCO, Calif.—Grover G. Jones has become affiliated with Reynolds & Co., 425 Montgomery Street. He was previously with First California Company.

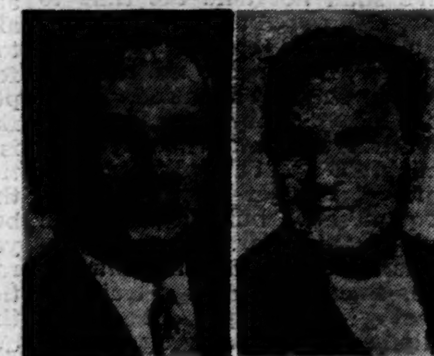
Sutro Co. Adds

(Special to The Financial Chronicle)

SAN FRANCISCO, Calif.—Everett L. Price has been added to the staff of Sutro & Co., 460 Montgomery Street, members of the New York and Pacific Coast Stock Exchanges.

NASD District No. 8 Elects Officers

CHICAGO, Ill.—James M. Howe, partner, Farwell, Chapman & Co., Chicago, was elected Chairman



James M. Howe   T. Gordon Kelly

of District Committee No. 8 of the National Association of Securities Dealers, the largest organization of securities brokers and dealers in the country. The district comprises of States of Illinois, Indiana, Iowa, Michigan, Minnesota and Wisconsin.

T. Gordon Kelly, Vice-President of Collett & Co. Inc. was named Vice-Chairman.

John F. Brady, with the NASD office in Chicago, is Secretary of District Committee No. 8.

Swaney, Vachon, V.-Ps. Of Keystone Company

BOSTON, Mass. — Two senior Regional Representatives, John Swaney of Boston and Louis A. Vachon of Los Angeles, have been elected Vice-Presidents by The Keystone Company of Boston, it was announced by S. L. Sholley, President of the 27-year-old investment company organization.

Mr. Swaney has been Keystone's representative in New England and New York State for the past eight years, following 14 years as an underwriter and distributor in the mutual fund field. Mr. Vachon has been with Keystone for 14 years, first in Boston and Philadelphia and then for the last seven as the company's representative on the Pacific Coast.

Edw. Amazeen V.-P. of William Street Sales

Edward S. Amazeen has been elected Vice-President of William Street Sales, Inc., it was announced by Dorsey Richardson, President of the company, national underwriter for The One William Street Fund, Inc., and Scudder Fund of Canada Ltd.

Mr. Amazeen will be active in sales and sales service administration in the company's main office in New York, 1 William Street. He will also be regional representative in its New England territory covering the six New England states and Upper New York State with offices at 79 Milk Street in Boston.

Mr. Amazeen has long been active in investment banking circles and was most recently Vice-President and manager of the investment trust department of Coffin and Burr, Incorporated, investment bankers. He is a member and former chairman of the Investment Companies Committee of the Investment Bankers Association of America and has held several important committee posts in both the National Association of Securities Dealers, Inc., and the National Association of Investment Companies.

Dean Witter Adds to Staff

(Special to The Financial Chronicle)

LOS ANGELES, Calif.—Robert A. Brown, Alton R. Cary, Jack G. Goss, William T. Howard, Donald E. McKee and Elmer F. Wirth have been added to the staff of Dean Witter & Co., 632 South Spring Street.

What Should Be Considered In Reading GNP Projections

By DR. ORVILLE J. HALL
College of Business Administration
University of Arkansas

Arkansas economist exposes some of the pitfalls and other hazards that should be considered in reading GNP projections. Dr. Hall also outlines three questions that should be answered in ascertaining extent of price inflation in the secular trend. The writer hopes that the insight provided in interpreting changes in GNP furnishes a basis for rational interpretation of the rise of output in the United States.

As recovery continues and business resumes a more "normal" rate of production, record highs are being projected for this country's Gross National Product. The importance of the level attained by the nation's total output of goods and services lies, particularly, in its interpretation in terms of its per capita relationship. For example, an increase in GNP with a still greater increase in population would result in less GNP per capita. Also, record highs of GNP may be explained in part by inflation — with more dollars being required to purchase the same goods and services.

Prof. Orville J. Hall

This article points out a method of evaluating *changes* in GNP, and does not seek to predict such changes.

The post-World War II trend in value of GNP per capita has been upward both in dollars in purchasing power of each successive year and in dollars of constant purchasing power. The GNP per capita in United States in 1955 was $2,370, the next year it was $2,466, and in 1957 it was $2,537. Since this discussion centers on a *method of analysis* (rather than in explanation of the value of data used) the dollar amount of GNP per capita used to illustrate this method is of less importance than if an attempt was being made to project the GNP for a particular year. For this reason, an arbitrary GNP per capita value of $2,500 is used.

An increase in GNP to a record high could result solely from an increase in population, even assuming an unchanged, or even a lower, GNP per capita, and thus population changes must be considered in any worthwhile analysis.

We may be either generous or conservative in forecasting population changes. The U. S. Bureau of the Census' most conservative forecast for 1960 predicts a population of 179.4 million, and its most liberal forecast is one of 181.2 million. Similar low and high estimates for 1970 are 202.5 and 219.5 million, respectively. The mid-points between these projections are 130.3 million for 1960 and 211.0 million for 1970, indicating an increase for the decade of 30.7 million or an average of 3.07 million increase per year. On the basis of these projections, a population of approximately 205 million is forecast for 1968. Our per capita GNP of $2,500 discussed above, applied to our projected population figure of 205 million forecasts a GNP in 1968 of $512.5 billion.

The most conservative population estimates of the Census for 1970—some 202.5 million of persons—by like analysis predicts a GNP of $506.25 billion for that year. The Bureau's most liberal estimate of 219.5 million for 1970 indicates a GNP of $548.75 billion of a basis of $2,500 per capita. Any decrease in the per capita estimate would, of course, reduce the projected GNP values. However, for use in this analysis, attainment of a GNP of $500 billion by 1968 will be assumed. It should be pointed out that this projection is based on dollars of 1958 purchasing power, and it does not reflect any deflationary or inflationary influences or changes in our standards of living.

Any projection with respect to changes in prices of goods and services is subject to many hazards, and one estimate may be even less accurate than another. However, we are attempting only to illustrate a method of reasoning, in interpreting the significance of GNP projections. If we were making statistical forecasts, we would have to seek additional data and undertake more comprehensive studies.

Secular Trend Questions

These analyses assume secular inflation as a basis for their projection. Parenthetically, the reader may profitably answer three questions as a general guide to whether we may expect secular inflation.

(1) Do you expect repeated deficits in the Federal Budget to be financed, in part at least, by sale of bonds to banks, thus creating new bank credit?

(2) Do you expect organized labor to continue to be successful in obtaining higher wage rates and/or fringe benefits and thus increase labor costs with increasing output?

(3) Have you expressed your disapproval of secular inflation by any communication to your Senator or Representatives, or others in policy-making positions?

Your answers to these questions and the answers of other thinking persons, may provide a basis for projecting the trend of inflation.

The past is not necessarily a dependable basis for projecting the future. However, for our purposes it may provide a background against which changes may be evaluated. The data on the rise in consumer goods prices (based on 1947-49=100) suggest an average rise of 2.3 to 2.4 points per year for the past decade. If the same rate of increase continues for the decade ending in 1968, the rounded projection of $500 billion GNP for 1968 must then be revised upward by 20 to 25%. A 20% increase in prices by 1968 would indicate a GNP of $600 billion by that time.

Our most difficult task is to project changes in living standards that will have been effected by 1968. The estimate of $600 billion GNP ten years hence assumes that these dollars will continue to be spent for the same goods and services that consumers have been buying in recent years. To the extent that improved quality of consumption goods would provide greater "wearability" for such items as clothing, or longer life of durable goods, the same number of dollars (of constant purchasing power) would enable consumers to buy more goods, thus contributing to a rise in the rate of consumption. Every consumer, of course, hopes that his purchasing power will increase and thus let him buy *more* goods and services. We do not know whether this will occur, but to the extent that such an increase in rate of consumption does take place, the $600 billion GNP projection must again be revised upward.

The GNP per capita in the United States *in 1947 dollars* was $1,880 in 1945, $1,953 in 1955, $1,974 in 1956, and $1,958 in 1957. These data suggest that a rise in GNP per capita may be expected during the decade ending in 1968. Even a 3% increase for the decade would raise the $600 billion GNP to $618 by 1968.

The impact of *changes* in GNP is important, particularly insofar as it affects each individual. Projections of the *total* GNP become more significant in light of the question: "How will this affect my rate of consumption?"

This article presents a method of analysis of the impact of change in the Gross National Product on the individual and, except in a most general way, is not offered as a forecast of GNP at some future date. It is believed, however, that this method of interpreting changes in GNP provides a basis for a rational interpretation of the rise of output in United States at a time when we entertain the misleading view that each new record-breaking total value of goods and services is a new high in terms of real well being of each member of the increasing United States population.

A. G. Yeager Opens

SACRAMENTO, Calif. — Albert G. Yeager is engaging in a securities business from offices at 1820 Eye Street.

Willard E. Ferrell Opens

PHILADELPHIA, Pa.—Willard E. Ferrell is conducting a securities business from offices at 1033 Rhawn Street.

Dean Witter Adds Four

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Cal.—Cecil A. Culp, James A. Gentry, Rawson E. Knight and Trevor C. Roberts have become associated with Dean Witter & Co., 45 Montgomery Street, members of the New York and San Francisco Stock Exchanges. Mr. Knight was formerly with Irving Lundborg & Co.

Treasury's Financing Views and Debt Management Problem

By CHARLES J. GABLE, JR.*
Assistant to the Secretary of the Treasury on Management of the Public Debt, Washington, D. C.

Treasury official hits speculative excesses in governments: anticipates heavy Treasury financing in 1959—though smaller in dollar volume than 1958—and a new high in short-term debt in the offing; and believes size of budget deficit is a secondary problem compared to psychological reaction of investors who see in this presageful evidence of continued inflation and, as a result, shy away from mortgage, corporate, municipal as well as Federal debt. Mr. Gable announces remedy is being sought to restrain undue speculation which will not hamper legitimate dealer operations and he deplores lack of savings institutions' and individual holdings of governments. He states Treasury's 1959 financing program will be dependent upon economic growth and fiscal soundness, and he fully supports a free bond market.

I would like to review some of the current problems which the Treasury faces in its debt management program. These are not problems which can be solved by applying a rigid set of rules. There are certain basic principles which we always try to follow, but the very fact that the economic environment and the market atmosphere in which the Treasury operates is constantly changing means that our approach to debt management must always be flexible.

Charles J. Gable, Jr.

The impact of changing circumstances on debt management policies was clearly illustrated by our experience in the calendar year 1958.

The past year was a year in which the debt was growing again. The debt at the end of December 1958 amounted to $283 billion.

This is a large debt any way you look at it and one which is woven into the asset structure of every major class of investor in the country. In the savings bond program alone an estimated 40 million individuals own bonds and about eight million are buying bonds currently through payroll savings plans.

The $283 billion public debt at the end of December represents an amount equal to 63% of the total gross national product. It is an amount equal to more than $1,600 for each man, woman and child in America. Not only is the United States Government the largest single debtor in the country, it accounts for one-third of the total debt owed by all individuals, all corporations and all levels of Government in the Nation.

After some reduction in debt early in the postwar period the public debt grew steadily again under the burden of heavy defense requirements and the Korean War, reaching a peak of $281 billion on Dec. 31, 1955. During the calendar years 1956 and 1957, under the impact of two years of budget surpluses, the debt was reduced to $275 billion. That $6 billion reduction has been completely erased, however, by deficit financing in the calendar year 1958, which increased the debt by $8 billion to a new high of $283 billion. This was the largest increase in the public debt for any year in the postwar period.

1958 Marks Postwar High

The job of adding a net amount of $8 billion to the debt in as sound a manner as possible last year required the Treasury to go to the market six times during the year to raise new cash of $17 billion, plus $2 billion more cash raised through additions to weekly bill offerings. This large amount of new cash borrowing was needed not only to cover the deficit but also to cover the retirement of other securities growing mainly out of marketable maturities paid off in cash and the redemption of wartime F and G savings bonds which are now maturing. At the same time the Treasury issued $50 billion of new securities in exchange for maturing issues ($28½ billion publicly held and $21½ billion held by Federal Reserve banks and Government investment accounts) so that the total of $69 billion new marketable securities issued during the year reached a new postwar high.

As part of this $69 billion job the Treasury issued $2.9 billion of long-term bonds and $16.7 billion of intermediate-term notes and bonds running from 4 years to 8½ years to maturity. As a result, the average length of the marketable debt was increased by two months during the year—from 4 years and 7 months to 4 years and 9 months. This was done despite the inability of the Treasury to extend any debt beyond 2½ years to maturity in the unsettled market environment which characterized the last half of 1958. The slight lengthening of the debt last year was in contrast to declines of approximately six months each in the average length of the debt during the two preceding years and brought the average back almost to the level of five years ago when the long postwar decline in the average length of the debt came to an end.

Despite the fact that there was an $8 billion increase in the total debt in 1958, there was a reduction of $3 billion in the amount of marketable debt becoming due within one year. Five years ago the under-one-year debt stood at $80 billion. One year ago it was $75½ billion. It is now $72½ billion, of which $51 billion is held by the public and $21½ billion held by Federal Reserve banks and Government investment accounts.

The job of Treasury financing in 1958 was made somewhat more difficult by the fact that Government investment accounts, which had provided a market for approximately $2 billion a year for Government securities on average during the postwar period as a whole, showed a decline of $0.8 billion in their investments. This was true because of the excess of expenditures over receipts in the Unemployment Trust Fund, the Federal Old-Age and Survivors Insurance Trust Fund and the Highway Trust Fund.

Bond Sales Broadened Credit Base

Treasury financing in the first half of 1958 was conducted in the atmosphere of recession, with rising bond prices, falling interest rates, and monetary ease. In this atmosphere it was appropriate that Treasury offerings were designed primarily to appeal to commercial banks, as debt management sought to complement monetary policy in its endeavor to increase the money supply and to better assure the availability of adequate credit for economic recovery. As a result commercial bank holdings of the debt rose by $5.8 billion in the first half of the year, even though the total debt was rising by only $1.4 billion. (See Chart).

With the exception of Series E and H savings bonds held mostly by small savers, all types of nonbank investors liquidated Government securities in the first half of the year, with most of the liquidation being accounted for by nonfinancial corporations at a time when their profits were shrinking and their tax liabilities were at a low point. Even the sale by the Treasury of $2.9 billion of new long-term bonds during the first half of the year did not result in a net increase in the holdings of Government securities by individuals and savings institutions since the bonds were paid for, in effect, by selling shorter maturities to banks.

In the second half of the year, with the economy entering into a period of vigorous economic recovery, two-thirds of the $6.6 billion increase in the public debt was absorbed by investors outside of commercial banks thereby lessening somewhat the inflationary impact of Federal deficit financing at a time when other demands for funds were rising and monetary policy sought properly to temper the rise in money supply. Furthermore, all of the increase in bank holdings was outside of the larger financial centers.

The Treasury would have preferred, however, that a larger part of its financing outside of the banks during the second half of the calendar year had been through longer term savers—such as individuals and savings institutions—rather than through nonfinancial corporations. In the latter case investment in Government securities is typically in the shortest term obligations available and is only one step away from an increase in money supply. On the other hand, longer term securities are purchased by savers with more permanent investment goals in mind.

The fact that savings institutions did add somewhat to their holdings of Government securities in the second half of 1958, reversing earlier trends, is an encouraging sign, however. Individuals added further to their E and H savings bond holdings in July-December 1958, but again reduced their holdings of the larger investor type F and G savings bonds and their holdings of marketable securities during the second half of 1958.

Singles Out Savings Institution

The persistence of the postwar trend of savings institutions away from Government securities is highlighted by the fact that the four major groups of savings institutions — insurance companies, mutual savings banks, savings and loan associations and pension funds—have reduced their holdings of Government securities from $27½ billion in December, 1952 to $26 billion in December, 1958. This was done at a time when the assets of these institutions were growing by approximately $100 billion.

As is shown in the accompanying Chart, therefore, the proportion of assets of each of these types of institutions invested in Government securities has shown in most cases a substantial decline during the last six years. Even in the case of rapidly expanding savings and loan associations, which have been building up reserves in the form of Government securities, their percentage of assets invested in Governments has declined slightly.

An analysis of individuals' savings during the last six years shows rather clearly that no individual savings found their way into Government securities on net balance during these years, despite substantial increases in E and H bonds. During the past six years individuals had new savings of $137 billion available for investment either through savings institutions or directly in securities and mortgages. Of this total $106 billion was placed directly in savings institutions, and as has been already indicated in the chart, no part of this flow of savings on net balance reached the Government securities market.

Refers to Individuals' Savings

Moreover, none of the remaining individuals' savings was invested directly in United States Government obligations either. An increase of $7 billion in E and H bond holdings was completely offset by a decline in holdings of other government securities. In effect, then, all of the funds available for direct investment during these six years went into corporate securities, into mortgages or into state and local government issues. In the latter case, of course, the Treasury is up against a particularly difficult debt management problem in trying to make its securities attractive to individuals who have the opportunity of buying tax-exempt state and municipal offerings.

A satisfactory solution to the problem of making government securities attractive to savings-type investors is not easy to find. The Treasury is, however, exploring all possible ways of encouraging greater participation in government security ownership by these purchasers.

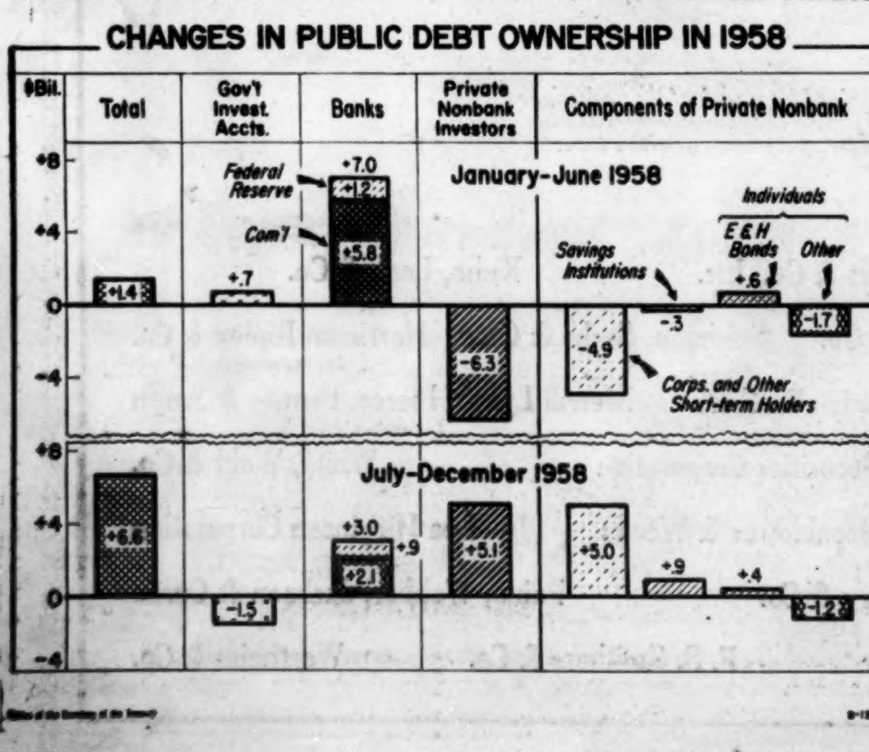
Hits Speculative Wave

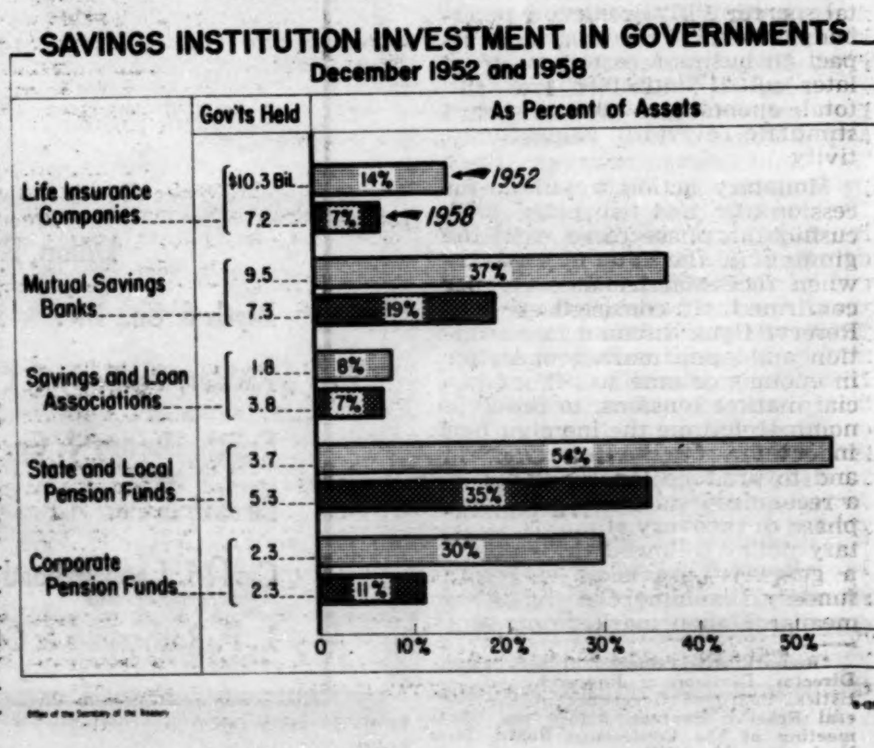
A discussion of the environment in which Treasury financing took place in 1958 would not be complete without reference to the rather dramatic changes in the market environment in which the Treasury had to do its financing. With interest rates declining and bond prices rising early in the year the Treasury had little difficulty selling securities which were priced very close to the market at the time they were issued. Subsequent market rises resulting from investor anticipation of continuing recession and monetary ease made each new security look quite attractive soon after issuance. As a result, particularly with regard to the 2⅝% seven year bond which was offered in June, there was an increased amount of speculative activity in new government issues on the assumption of a continuation of these trends.

The June intermediate-term bond was put out as one part of an optional offering in exchange for maturing securities and was subscribed for in an amount of more than $7 billion—considerably in excess of what had been expected by either the financial community or by the Treasury. This large amount presumably could have been properly digested by the market, however, if the trends of recent months had continued. But improvement in business news, plus rumors in the financial community as to a possible reversal in monetary policy, resulted in a sharp turnaround in the bond market. As a result many speculative buyers who had financed their purchases on little or no margin were forced to liquidate them. The resulting dis-

Continued on page 36

*From a statement by Mr. Gable before the Joint Economic Committee, Washington, D. C., Feb. 5, 1959.





The New Federal Budget And Monetary Policy

By RALPH A. YOUNG*

Director, Division of Research and Statistics, Board of Governors of the Federal Reserve System

Reserve economist ascribes to monetary policy the duty of avoiding inflation in fostering economic growth. Traces course of fiscal and monetary measures midst recent recession and recovery. Stresses crucial importance of a balanced Federal budget, citing dangers of increased spending — including its obstacle to effectiveness of monetary policy. Maintains inflationary hazards from larger Federal outlays can only be offset by additional tax levies. Concludes stable money requires long-term independence of money supply from the financing of chronic government deficits, although short-term counter-cyclical deficits and surpluses are permissible.

Monetary policy, through regulation of the supply of credit and money, has the duty of fostering sustainable prosperity and economic growth, without inflation. Other public policies are obviously also essential for realization of this goal. Indeed, if other public policies—particularly fiscal policy—fail to carry adequately their part of the load, monetary policy can be seriously handicapped in carrying out its special responsibilities.

Ralph A. Young

Monetary and Fiscal Policy in Recent Economic Decline

During recent economic contraction, fiscal and monetary measures were mutually reinforcing. Fiscal action during the recent period had a recession cushioning phase and a recovery stimulant phase. With regard to recession cushioning, the important features included transfer payment supplements to disposable income, automatic declines in tax payments, and positive administrative measures to swell defense procurement. With regard to recovery stimulation, major steps comprised an increase in national defense appropriations, provision of supplemental unemployment benefits, an increase in Federal pay levels, and enactment of emergency housing and highway construction laws. These fiscal actions, of course, had motivations other than pure stimulus to recovery; also, actual spending increases resulting from them lagged their enactment by several months.

In retrospect, these two phases of fiscal action had much counter-cyclical effectiveness. First, they contributed to maintenance of total spending in the economy. Second, through their optimistic impact on business expectations and later actual impact in expanding total spending, they helped to stimulate revival in aggregate activity.

Monetary action to combat recession also had two phases. The cushioning phase came early, beginning in the late Fall of 1957 when recession trends were first confirmed. It consisted of sharp Reserve Bank discount rate reduction and open market operations in enough volume to relax financial market tensions, to reduce to nominal volume the member bank indebtedness to the Reserve Banks, and to produce in credit markets a recognized state of ease. In the phase of recovery stimulus, monetary policy followed through with a generous provision of reserve funds to commercial banks by means of open market operations and lowering of reserve requirements, and by further discount rate reductions.

The aggressiveness of these actions was quickly reflected in reversal of contraction in the active money supply and then a very brisk expansion. Beginning in February, before the economic revival had actually set in, and extending through July when recovery was in full swing, the active money supply increased at a very rapid rate by historical standards.

Rapid Economic Recovery and Shift in Monetary Policy Towards Less Ease

Economic recovery after April a year ago took most observers by surprise, both in terms of timing and in terms of vigor. By late summer—with most broad measures of economic activity rapidly retracing ground lost during the decline—psychology in the financial community had shifted from concern about deflation to concern about inflation. Changed attitudes and expectations were dramatically reflected in the rapid rise of stock prices, in a sharp advance in market levels of interest rates, and in a resulting decline in stock yields below high-grade bond yields.

A contributory influence in the renewal of inflation psychology in financial markets was a growing belief that the Federal budget was out of control. This psychology found support in the elastic quality of current deficit estimates as the year wore on, in part reflecting unexpectedly large outlays for farm price support. It was also bolstered by focusing telescopic lenses on possible Federal spending programs—a magnifying process which converted possibilities into early realizations.

With evidence of rapid and vigorous recovery in output and employment cumulating, and in the face of the inflationary psychology in financial markets, it was both appropriate and necessary that the Federal Reserve System should take action to temper the expansion of bank credit and of cash balances. This action took the form of a curtailment of reserve funds supplied at the initiative of the System through open market operations and of two successive increases in Reserve Bank discount rates.

This was the classical method of retarding bank credit and monetary expansion. Just as it had been effective in the past, so it was again effective this time. In the last five months of the year, bank credit and monetary expansion was reduced to a rate much more consistent with the pace of economic advance and in the same period the Treasury was able to finance the bulk of its huge current deficit outside the banking system. Indeed, the active money supply, though it had shown rather wide recession-recovery movement, was just about $2\frac{1}{2}\%$ higher at the end of 1958 than it had been at mid-summer 1957.

Importance of a Balanced Federal Budget

The maturing of economic recovery and the shift of monetary policy away from active stimulation has not convinced all that inflationary dangers have lessened. Some observers continue to view the large recession-recovery deficit with alarm and see unavoidable continuation of deficit financing. They further emphasize the inconsistency between a deficit posture of fiscal policy and a restraining posture of monetary policy. And they cannot see how monetary policy can do other than eventually give way, becoming in fact an engine for monetizing Federal debt.

This is a myopic perspective on the problem. It neither gives adequate weight to normal economic processes nor adequate weight to the public interest in, and public support for, a sensible Federal fiscal policy.

With respect to economic processes, if recovery now flowers into an extended phase of economic expansion—which is not an unreasonable expectation—this very fact will generate a substantial rise in Federal receipts, comparable to the rise experienced in the recovery-expansion period from fiscal 1955 to fiscal 1956. Both corporations and individuals can be expected to contribute to larger tax receipts.

With respect to the public interest side, the national goal of high-level employment with stable prices furnishes compelling imperative for action to hold down Federal expenditures so that receipts may have some chance to catch up with them. To make the two sides of the income-outgo ledger come into balance in the 1960 budget, the budget makers say that a catching up of tax receipts will not be enough. Beyond this, some modest cut-back in expenditures and some additions to tax receipts are needed.

Federal budget projection, despite all advances in the arts of economic forecasting, is basically a judgment process. The very best expert judgments in the Government and in the country are brought to bear upon it. Should the economy fail to expand and increase tax receipts as rapidly as these experts have judged to be possible, the budget would obviously not reach a balance. In this case, however, the economy would have unemployed resources, and the public concern would properly center more on the unemployed resources than on the deficit itself. If this were to be the situation, no untoward problems would be presented to either debt management or monetary policy in financing the deficit through financial markets. This prospect, in other words, would not be inflationary.

The biggest budget risk ahead is that pressures for special spending actions beyond the Administration's budget goals will prove irresistible. Larger Federal spending might conceivably accelerate some of the pace of real economic expansion. But at the high levels of activity already projected for the budget, more Federal spending might merely substitute for more private spending.

At high levels of economic activity, the monetary supplement to savings each year must have some limit if inflationary dangers are to be avoided. Accordingly, under conditions of deficit from larger Federal spending, competition between the Treasury and private spenders of borrowed funds would be much intensified. Admittedly, in these circumstances monetary policy would be under acute pressure in resisting the resulting heavy demands for bank credit and monetary expansion.

To avoid the inflationary hazards of larger Federal spending, if such spending finds support with public opinion, any resulting deficit will need to be met by additional tax levies, preferably in sufficient size to create a Federal cash surplus. Indeed, only positive tax action could make monetary and fiscal policy mutually reinforcing under prospective prosperity conditions. In addition, positive tax action would be essential to lay once and for all those current inflationary fears that rest fundamentally in disbelief of our national fiscal responsibility.

A monetary policy designed to maintain a stable value for the dollar is one in which longer term growth of the money supply is kept consistent with the longer term growth of the economy. A fiscal policy consistent with sound monetary policy is one that provides a longer run balance of receipts and expenditures, though it permits of countercyclical deficits in times of recession offset by countercyclical surpluses in times of prosperity. History has more than once proved that stable money is not possible if expansion in the money supply is geared first of all to the financing of chronic deficits of government.

*Round table remarks of Mr. Young, Director, Division of Research and Statistics, Board of Governors of the Federal Reserve System, before the 391st meeting of the Conference Board, New York, Jan. 23, 1959.

Penetrating Effect of Federally-Controlled Interest Rates

By WALTER C. NELSON*

President, Mortgage Bankers Association of America and President, Eberhardt Company, Minneapolis, Minn.

Mortgage banking spokesman describes the effect of Federally-controlled interest rates in the mortgage banking industry. Mr. Nelson rebuts proponents' belief that fixed interest rates benefit those whom the Government is trying to protect; points out the home-builder increases his price to offset discounts he must pay; and reviews other undesirable problems created. The banker pleads for the lifting of FHA rate to its maximum of 6% which would provide for all practical purposes a free rate, and suggests a study be made of flexible FHA interest rate dependent on the yield of long-term government bonds.

If we are to discuss this subject objectively, it seems to me that we must try to understand the reasoning of the proponents of fixed interest rates. I know that for those of us who deal in money and mortgages, a feeling of frustration occurs in any search for factual data in an attempt to make a case for the other side.

Walter C. Nelson

Historically, the FHA rate was not fixed at a price which would not produce a par market for the mortgages. The idea that the government should fix the interest rate on privately financed mortgages is of fairly recent origin. It had its beginning shortly after World War II. If you will recall, FHA started in 1934, and the plan of the authors of the Act was to promote home financing for a much larger group of our citizens. The principal factor, as far as the borrower was concerned, was to permit purchase of a home with a much lower down payment and a smaller monthly payment. Through the medium of mortgage insurance, investors were expected to take the risk of a high percentage loan and a longer maturity. The authors also expected the Act to provide a better flow of money from the areas of capital surplus to those of capital shortage. In addition, it was a vehicle by which investors could legally make a higher percentage loan to value without requiring a change in the various state laws. It certainly was not expected or desired that FHA should dictate the interest rate at which private investors should be expected to make the loans in order to accomplish these objectives.

On the contrary, the original administrators of FHA were careful to see to it that the interest rate they were required by law to set on insured mortgages was safely above the market. In fact, in order to make sure of market acceptance, at the beginning, they fudged a little by permitting an annual service charge of ½% in addition to the maximum statutory interest rate.

Following this example throughout the prewar period, the interest rate on FHA mortgages remained consistently above what was generally the going rate in the market. It is true, of course, that the FHA rate was reduced from time to time, and ultimately the service charge was dropped But in taking these steps, FHA always **followed** the market. It never preceded the market, and it never dictated to the market.

*An address by Mr. Nelson before the 4th annual Southwestern Senior Executives Conference, co-sponsored by Mortgage Bankers Association of America and the School of Business Administration of Southern Methodist University, Dallas, Texas, Jan. 27, 1959.

Why Is Fixity Continued?

Just when and how did we get sidetracked from these original philosophies, and what have been the reasons for the continuance of this fixed interest rate below market levels?

I believe we can generally agree that the Veterans Loan Guarantee Program must take a major portion of the responsibility for this change in administrative thinking. The Veterans Administration, of course, intended to give the veteran preferential treatment in the home loan market both from the standpoint of interest rates and from the standpoint of protection from excessive prices. In effect, the insurance premium on the high percentage VA loan was to be paid by the Veterans Administration, and the veteran had a simple rate of 4% without additions such as the mutual mortgage insurance premium.

When the Veterans Administration came into being, a 4% rate was generally the going rate for home mortgages, and certainly it was proper to establish 4% as a fair rate on the VA loan at the time it was started. Interest rates had been going down for over a decade because of a lack of demand for long-term funds.

In 1952 and 1953, however, interest rates began to move upward, and it was felt by some that a plan had to be evolved to protect the veteran from the avarice of the money lenders. The "powers that be" developed the thought that the VA feature was so valuable to an investor that he would not only be willing to lend a higher percentage for a longer term than had been customary, but also that it could be at an interest rate lower than the market rate.

It was determined that Congress could properly fix that rate, and, as you know, the FHA program was soon brought into the sphere of congressionally controlled interest rates. More recently, of course, another degree of control has been added by placing a rate ceiling on VA loans at ½% less than the FHA loans.

The problem that has developed and seemingly is an endless struggle is the contest between market forces and political judgment. The market is just not convinced that the arguments of the fixed rate are sound. For five years we have seen government sponsored mortgages selling at something below par ranging from a discount of 1% to as much as 12%.

We are prone to blame Congress for much of the delayed action in providing a workable interest rate, but we are certainly subject to their criticism for this thinking. The FHA Administration has had ample authority to provide a satisfactory interest rate in line with market requirements. It is only the effort to continue to hold the FHA and VA rates at a comparatively constant difference of ½% that has created our most serious problem.

Who Would Benefit?

There may be a feeling on the part of some that a more flexible rate in a rising market is only for the benefit of the lender. I should like to point out some of the other penetrating effects of Federally-controlled interest rates.

As interest rates rose from 1951 to 1953, the combined volume of FHA and VA activity (in terms of mortgages insured or guaranteed) fell 40%, and the number of new housing starts under those programs fell from a high of 700,000 in 1950 to a low of 400,000 in 1953. During the same period, the number of starts under conventional or all cash arrangements remained almost constant, at just under 700,000. The fluctuation was actually less than 1% on conventional starts.

During 1954 and 1955, demand for longer term funds from other borrowers abated, and FHA and VA rates were again attractive to the market with the result that we had a large increase in private housing starts—namely 1,300,000 starts in 1955. In 1956 and 1957, interest rates stiffened and FHA and VA rates were held constant in spite of their obvious failure to meet market requirements. It wasn't enough that we had fixed interest rates, but insured and guaranteed mortgages were also held under a control of discounts for a period of time. Fortunately, this was eliminated before the home-building industry had gone into complete collapse, and some semblance of marketability returned by use of discounts and an increase in the FHA and VA rates.

The Mortgage Bankers Association, along with others, have tried unsuccessfully to have a free or flexible rate on FHA loans. Last fall at our annual convention we heard two of the government representatives extol the virtues of a flexible or free rate. This raises the question of what can be done to provide flexibility and still allow Congress or the Administration to retain some degree of control without limiting the marketability of insured and guaranteed loans to a dangerous point.

Formula Based on Long-Term Yields

As far back in the past as 1950 our own Bill Clarke suggested a flexible self-executing formula based on the yield of long-term government bonds. This is a very interesting proposal and certainly provides some basis for compromise between those groups in government that opposed the complete elimination of a ceiling rate on government-backed mortgages and the investors who must necessarily exercise their prudent judgment in the investment of trusteed funds. Any plan such as this would certainly require careful study to establish to some degree of accuracy the differential necessary to provide a marketable FHA interest rate. This differential, according to studies which have been made, indicates a spread of 2 to 2½ points would have been required in most recent years.

One of the fallacies of this approach, however, lies in the supposition that all FHA and VA mortgages should command the same price. Those of us who originate and sell government-backed mortgages know that many factors are introduced into individual mortgages that make a yield differential important to the investor. For example, many investors vary the price on a loan, depending on the down payment and term of the mortgage. Again, some investors will look with less favor on a mortgage on an older property. More than almost any other factor we have the supply of mortgages acting as a factor in establishing the price. At present, there are a few areas in the East where FHA 5¼% sell at par simply because the supply of mortgage funds exceeds the demand. On the other hand, we have areas such as California, Texas, and Florida where population growth creates an excessive demand for mortgage money as compared to the supply. In other words, although we may have flexible or free interest rates, we probably will always have variations that will need adjusting by use of small discounts or premiums.

I believe I should summarize, however, by pointing out some of the obviously undesirable problems that we seem to develop under our present systems and suggest some of the cures.

Does Not Benefit the People

First of all, I do not believe that controlled interest rates below the market level benefit the people that our government is trying to protect.

The home-purchaser **does pay the discount.** It is a fallacy to believe that the home-builder doesn't increase his price in an effort to offset discounts he must pay to secure the financing. Also, the original purchaser of the property pays all of the rate differential based on the anticipated life of the loan. By an adjusted interest rate, moving with market requirements, he pays the higher rate only during the period of actual ownership.

It is not possible to estimate the buyers who are required to pay excessively high rates by resorting to secondary financing. This is especially true in the used house market because sellers do not understand and are frequently unwilling to pay the required discount. This had led to the undesirable practice of increasing the price of the older home to provide a market for the sale of secondary financing paper.

Last, but not least, is the great fluctuation that is created in new housing starts as the builder approaches each year with uncertainty and mental trepidation. Unless his financing has been arranged well in advance of his starting construction, he may well "lose his shirt" because of discount requirements placed on him in order to provide an unrealistic rate for the actual borrower of the money.

In conclusion, let me say, although a flexible rate tied to long-term governments may be better than our present plan, I am inclined to believe that the FHA rate should be lifted to its maximum of 6%, which for all practical purposes would provide a free rate. It wouldn't take long for the market forces to be brought into play and the rate would adjust itself to the satisfaction of both borrowers and lenders. All plans of control by forces other than the borrower and the lender tend to develop practices which prove harmful to our entire economy.

From Washington Ahead of the News

By CARLISLE BARGERON

It is easily understandable why our State Department would appear to be intransigent in the matter of the Russians' proposal to turn East Germany over to the Germans and to pull out. The State Department's attitude is that it is utterly impossible to deal with the Russians and it is just a waste of time to make the effort.

Carlisle Bargeron

However, the East German proposal deserves some serious consideration. It is difficult to see just what we would lose. Of course, that is assuming we stay in West Germany. The Russians say that if we refuse to agree on their returning East Germany to the Germans they will do it anyhow and leave it to us to deal with the East German Government. That could not be any worse; to all indications it would be better. For one thing the East Germans are not as strong as the Russians.

We seem to have a phobia about dealing with the East Germans. We don't want to recognize them as a separate government. On two occasions now our aviators have landed in East Germany and were captured. We let them remain in jail for days and days while demanding that the Russians turn them loose.

There is something else that I have not seen mentioned in any of the discussion about removing Russian troops from East Germany. The only justification of the Russians being in Poland and Hungary they aver, is to protect their lines of communication. They occupy East Germany; therefore they must occupy Poland and Hungary and Czechoslovakia to guard their lines of communications.

If they give up East Germany what will their excuse be to remain in these other countries. Is it possible that they intend to give up their occupation of these countries? This writer does not know anything about Hungary, but if there is ever any relaxation of the Communist hold over Poland that country will come out from under the yoke. Russia took over Poland after the first World War. They did not hold her for long. Poland relatively quickly asserted herself and told the Russians to get out. The Russians did.

We have a lot of critics in this country against our giving aid to Poland. For reasons which I can't express very well, and apparently the Administration can't either, I think our aid is a good investment. The hatred which the Poles have for the Russians is deep-rooted and long-lived.

I remember a trip I made to Russia and Poland several years ago. Leaving Moscow at near midnight on the famous Trans-Siberian express we came to the Polish border about noon the following day. After about an hour at the Russian customs, we boarded the same Russian train which then moved three miles over a No Man's Land. Half-way across there were two guard towers about 100 yards apart. Atop one was a Russian soldier looking at Poland. He wore a bedraggled uniform and carried a rifle which I am satisfied, would have fallen to pieces if fired. Atop the Polish tower was a nattily uniformed Polish soldier looking at Russia. His rifle seemed to be in perfect condition. About a mile further we came to the Polish customs. Drawn up was a fully Pullmanned train of about 12 cars. It was an express all the way to Paris. The dining car was perfect, the accomodations were perfect. It was amazing that in such distance conditions should be so different. Nevertheless, as we swept through the Polish countryside there were perfectly kept farms, well painted barns and homes. It was like coming out the darkness into the daylight.

I will lay my money on the Poles if they ever get a chance.

Setting the Record Straight About Soviet Trade Desires

By HON. C. DOUGLAS DILLON*
Under Secretary of State for Economic Affairs
Washington, D. C.

Mr. Dillon says he was the only U. S. official who discussed trade in detail with Mr. Mikoyan in explaining why Soviet overtures for increasing trade are insincere. Mr. Dillon declares "the only thing the Soviet needs to do if it really wishes to expand its trade with us is, quite simply, to begin trading." The former investment banker: (1) compares U.S.S.R. and U.S.A. avowals and deeds; (2) suggests what U.S.S.R. can do to create greater business confidence; (3) queries low level of Soviet's exports to Free World and determined drive to capture Asian, African and Latin American economies by trade and aid techniques; and (4) outlines what we should do to assist newly-emerging areas.

Recently, the foreign economic policies of the Soviet Union have become a matter of increasing importance to all of us who have an interest in world affairs. I would like to examine the hard realities of Soviet foreign economic policies—both with the industrialized West and with the newly-developing areas of Asia, Africa and Latin America—and then outline our government's position regarding trade with the Soviet Union. I shall also briefly touch upon our own trade and financial programs aimed at helping the newly-emerging countries achieve material progress under freedom.

C. Douglas Dillon

We are all, of course, aware of the well-publicized visit of Soviet Deputy Premier Mikoyan to some of our major industrial and financial centers. His private tour and meetings with American business groups had, among other purposes, the airing of the theme of greater trade with the United States. This campaign began with Soviet Premier Khrushchev's letter to President Eisenhower last June. In that letter, you will recall, Premier Khrushchev proposed a significant expansion of United States-Soviet trade, claiming it could amount to "several billion dollars over the next several years."

President Eisenhower replied that the United States favored an increase in peaceful trade, that the way was open for the Soviets to expand their trade with the United States if they so desired, and that the Department of State was prepared to discuss the matter further with them.

What happened next?

The Soviets promptly initiated a series of aggressive actions against the free world which inevitably resulted in a marked heightening of tensions. I refer to the Soviet Government's actions in the Lebanon and Jordan crisis, in the Taiwan Straits crisis, and most recently, in Berlin.

This, then, is the inauspicious setting against which we must measure the Soviet leaders' seriousness of purpose in their talk of expanded trade with the United States.

What lies behind the talk? Do the Soviet leaders—who are well aware that the chief limitations to an increase in trade with the United States are limitations of their own creation—really desire to expand commerce with the United States? Or do they calculate in advance that their efforts to secure one-sided concessions will fail—and thus provide them with an excuse for refusing to include the Soviet consumer in the benefits of their expanding industrial growth?

In attempting to find the answers to these questions we should keep in mind the basic nature of the Soviet system:

Describes Basic Nature of Soviet System

A nation's foreign policy, including its economic component reflects its domestic policies and institutions. The Soviet Union, as you know, is a totalitarian dictatorship, firmly ruled by a small elite in the Communist Party, which is dedicated to eventual Communist world domination. Economically, the Soviet Union is characterized by state ownership of land and the means of production, state control of the labor force, and domination of the right of individuals to make economic decisions by centralizing all economic power in the hands of the state.

As an integral part of Communist strategy, the Soviet leaders manipulate their economy to attain maximum growth of heavy industry under forced draft. Their objective is starkly simple: the achievement of both economic and military world supremacy. Their method is the concentration of investment in heavy industry at the expense of the Soviet consumer. Thus, they subordinate the economic well-being of the individual to the rigid demands of overall state planning.

Now, what role does foreign trade play in the Soviet scheme of things?

In keeping with Soviet theory, one of the Communist leaders' first moves after the Bolshevik revolution was to establish a state monopoly over foreign trade. Inherent in the type of economy they were creating was the need to deliberately isolate the Soviet economy from world market forces and allow Soviet planners to exercise full control over the domestic economy. This absolute state monopoly also permits them to turn trade off and on and to shift its direction to suit the Communist strategy of the moment.

From the very beginning of the Soviet industrialization drive, foreign trade was bent to the task of importing heavy machinery and equipment incorporating the latest technological advances developed in other countries. Imports of consumer goods were virtually eliminated in favor of basic industrial equipment. During the early '30s, these imports of the means of production enabled the Soviet Union to launch new industries at levels of development which had taken the West years to achieve through costly research and development.

Thus, by tapping the advanced technology of the West, the Soviet Union was able to gain years in terms of economic development. Soviet leaders, including Mr. Mikoyan on his recent visit to Detroit, have publicly recognized this historic fact.

Soviet's Goal of Autarchy

We must recognize another, equally historic fact: to Soviet planners, trade with the free world is always subordinated to the overriding goal of self-sufficiency. Let me remind you that once the Soviet planners completed their procurement program from the West in the early '30s, trade with the outside world fell off drastically.

Since then, their trade with the United States has never regained a comparable level—except during World War II and the immediate postwar years, when, as you will recall, this country shipped some $11 billion worth of lend-lease and UNRRA goods to the Soviet Union.

From the public statements of Messrs. Khrushchev and Mikoyan, it would appear that they now desire to repeat the pattern of the '30s. There is good reason to believe that their renewed interest in purchasing from the West stems from the new Seven Year Plan which is now being unveiled. We can anticipate that this plan will be a major topic during the 21st Congress of the Communist Party. This plan has been heralded by the Soviet leaders as a major step toward the accomplishment of their announced goal of overtaking and surpassing the United States—a goal, we could consider a welcome challenge if the Soviet people, rather than Communist world ambitions, were its primary intended beneficiaries.

From what we know of the plan so far, it appears that the Soviet consumer will continue to be short-changed in favor of another major industrial "leap forward."

To assist in carrying out their ambitious plans, the Soviet leaders are one again counting on appeals to the profit motive inherent in our free enterprise system to enable them to obtain a large stock of advanced technology and equipment—and primarily on credit.

Soviet Pre-condition to Chemical Trade

Premier Khrushchev himself has made this abundantly clear: Last May, he stated that it would be "expedient" to purchase plant and equipment for the chemical industry from the "capitalist" countries to avoid wasting time on "the creation of plans and mastering the production of new types of equipment." Then, in his letter to President Eisenhower, he pointed out that since the materials desired by the Soviets could not be paid for by their exports, the Soviet Union would be willing to accept long-term credits from the United States. This suggestion was presented to me as an absolute pre-condition to increased trade during my talks with Mr. Mikoyan.

The Soviet leaders apparently do not wish to divert sufficient resources into exports to acquire the large volume of capital equipment which they desire, on a pay as you go basis. Hence, Premier Khrushchev in his letter, and Mr. Mikoyan during his visit have, in effect, invited us to help finance the continuing rapid expansion of Soviet industry.

Now, goods purchased by a country must be paid for either by its own exports or by obtaining foreign credits. In the Thirties, the Communists procured foreign capital equipment by exporting grain at prices below an already depressed world market—despite the fact that millions of Russian and Ukranian peasants were dying of starvation.

Today, as then, Soviet exports consist mainly of raw and semi-finished materials, sold in bulk. Thus, because of its economic system, the world's second largest industrial nation has, in its dealings with the Western World, a commodity export pattern not unlike that of many under-developed countries.

To such traditional exports as wood products and manganese, they have recently added tin, aluminum, oil and oil products. Because of price cutting tactics, so typical of a state trading monopoly, these sales in the Western World have already proven injurious to such traditional Free World exporters as Bolivia, Malaya, Indonesia and Canada.

Manufactured goods have thus far been offered sparingly outside the bloc, and mainly in politically motivated trade with selected target countries in the less developed areas of the free world. However, with the growth of Soviet industrial capacity, this component of their exports to the free world may be expected to increase.

Nevertheless, there is every indication that the main thrust of the Soviet export drive will continue in the field of basic materials, where it will pose a continuing threat of market disruption which would adversely affect the economies of our normal trading partners in the less developed areas of the free world. This concentration of Soviet exports in the field of basic materials also worked to limit Soviet exports to the U. S. for we have solidly established trade patterns for the purchase of these items in large part from the less developed countries.

Now Mr. Mikoyan has repeatedly stated that the United States Government does not wish to see increased trade with the USSR. He puts the entire blame for the present low level of trade on the United States.

Sets the Record Straight

Let us look at the facts — at what actually occurred during Mr. Mikoyan's talks on trade with United States officials. On this matter I can speak with some authority, as I was the only U. S. official with whom Mr. Mikoyan discussed trade problems in detail.

First of all, to set the record straight, Mr. Mikoyan was assured by ever official with whom he spoke, from the President on down, that the United States now, as always, favors an expansion of peaceful trade between our two countries.

But we pointed out that trade is the result of mutually advantageous agreements between willing buyers and willing sellers.

In this country, the conduct of our commerce is in the hands of private firms and private individuals.

The Soviet state trading monopoly is at liberty under our laws to enter our free market and to buy and to sell. Its American outpost, AMTORG, is established in New York and has wide commercial contacts.

There is only one restraint on AMTORG's activities. We cannot be expected, as a country or as a people, to provide the Soviet Union with the sinews of war while its policies menace our own and other free world countries with whom our security is linked. Therefore, such items are embargoed for export to the Soviet bloc.

We have only recently completed our second major revision of the list of strategic goods subject to export licensing control. As a result, the list of goods which the United States will not license for export to the Soviet bloc has been significantly pared down. Actually, only about 10% of all our products moving in international commerce are subject to embargo.

In this connection, I understand that while he was in Detroit, Mr. Mikoyan complained of our system of export controls. He said in effect that only such items as chewing gum, firewood, and laxa-

Continued on page 29

*An address by Mr. Dillon before the Mississippi Valley World Trade Council, New Orleans, La., Jan. 27, 1959.

Electricity in Our Future

By S. L. DRUMM*

President, West Penn Power Company, Greensburg, Pa.

Electricity's revolutionalism on our life has only been the beginning Mr. Drumm insists in providing an insight as to what lies ahead in 1979—marking a century of utility service. The industrialist envisions 29,000 kwh. of electricity per employed person, compared to 3,000 kwh. in 1930 and 10,800 kwh. in 1957; and such industrial-commercial usages as: electronically controlled flying vehicles and guided cars, revival of electric-driven cars, fully automatic industrial processes, and countless additions to tomorrow's electric home. Mr. Drumm predicts this will entail four-fold increase in generating capacity requiring $150 billion of new capital with a much larger sum to industries, homes, etc.

Let us look ahead to 1979, when the electric utility industry will be 100 years old, and speculate on what may be before us in the way of improvements and new features available to the people to be served by the industry 20 years hence.

S. L. Drumm

Electricity is so common-place and abundant that we take it for granted and tend to overlook the fact that the utilization of electricity is still a rapidly developing art. So let's take a quick look at what has taken place in the last 80 years, to show how fast and in which direction the industry has been developing.

The electric age in which we now live was very slow in dawning. Scientists had known about this now form of energy and had experimented with it for a long time before it had an appreciable impact on our daily existence. Its first major practical use was in the communications field.

Once under way, development of the electric industry was rapid. In 1879, Edison applied for his first incandescent lamp patent, and the first electric public utilities began to light a few of our cities by the use of arc lamps. Thus in this year of 1959 the electric utility industry is 80 years old.

Originally, we were an agricultural nation. Muscle power, of men and beasts, supplied the energy needs of a rural economy.

The water wheel and the steam engine were the first mechanical devices that reduced muscle power and permitted the start of industrialization, and the improvement of urban living. The introduction of electricity accelerated industrialization and, step by step, has reduced muscle power to an insignificant proportion of our total energy requirements.

Electricity has revolutionized industrial processes, and has created new fields of endeavor hitherto unknown. It has released millions of men from backbreaking toil, and has freed the housewife from many of her most burdensome tasks. It is the household and business servant of today — cheap in cost — requiring no sleep or rest periods, and always available on instant call, day and night.

Only the Beginning

Through the contributions the electric industry has made to better living during the first 80 years of its existence the industry has revolutionized our very way of life in these United States. But these advances are only the beginning. The electrical era has just begun. One indication of this is the fact that expenditures for research and development by all manufactureres average 1% of their gross sales dollar while the electric industry manufacturers spend 3% for the "answers" to better living and higher productivity (the two [2] largest actually spend 6%).

In 1979, we may be having a press conference to mark the completion of a century of utility service, and we have an idea that those participating in it may have difficulty in visualizing what it was like way back in the primitive year of 1959 without the wonderful things that will come into being during the next 20 years.

May we preface our look into the future by stating three assumptions upon which our forecasts are based. They are:

(1) No catastrophic war.

(2) A continuation of the private property and free enterprise system as we now know it.

(3) No runaway inflation.

It is the earnest hope of our industry, that these assumptions are correct and that our country will continue along the road that has brought us prosperity and a standard of living that is the envy of the whole world.

Population—Housing Projections

A prime consideration in the utility industry's planning for the future is the number of people it will have to serve. In 1879 the nation had 49 million people. Today there are 177 million. The Census Bureau expects that by 1979 there will be 267 million, if the maximum fertility rates now envisioned are realized.

Now let us take a look at the number of households in this country of ours. In 1879 there were less than 10 million households and none had electricity. Today there are 51 million, and nearly all have electricity available to them. By 1979, there should be about 75 million households in these United States.

All these additional people, with their higher standard of living, will require vastly more goods and services than we currently use. So the probable size of the work force, and the productivity of its members, is of prime importance.

Here is what lies ahead as to the size of our labor force. There were 17 million in the labor force in 1879. Today the labor force has increased to about 75 million, and by 1979 it should total about 110 million, which would be about 41% of the population at that time.

The output of the labor force has, of course, also increased over the years. Part of this increased output is the result of the steady expansion in the size of the labor force; but the biggest part of the greater output has resulted from the increasingly better tools used by the workers.

One of the most important of these tools is electricity. It does physical work faster, better and more cheaply than ever before, and, through electromation, it is entering the supervisional field.

Back in 1930 the use of electricity per employed person, exclusive of agricultural workers, was a little over 3000 kilowatt-hours per year. In 1957 it was about 10,800 kilowatt-hours per year. By 1979, it is expected to reach 29,000 kwh per year. In other words, each worker will be using almost three times the electricity used today to multiply the results of his efforts.

Details Possible Changes

As electrical developments continue what changes will there be in the industrial and commercial uses of electricity? This list illustrates what these changes will be like.

Fully air-conditioned buildings will be practically universal for factories and commercial enterprises. It will be difficult, if not impossible, to get workers, or customers, otherwise. In addition, first-class climate control will improve worker efficiency and health.

Fully automatic operations will be standard and they will be directed by punched cards and tapes.

Flying vehicles will be almost 100% electronically controlled to eliminate risk of collision and pilot error.

New revolutionary industrial processes will be commonplace in many industries. For example, ultrasonic waves will debark logs, homogenize the pulp, disperse it and purify the refuse.

Widespread pipeline transportation systems will be operated and controlled by electronic computers.

Preformed structural shapes, both wood and metal, made by electric processes, will be characteristic of all types of structures.

New electric furnace applications will extend to many additional fields.

New inventions and processes will come into being. Invention and change have always been characteristic of our country, and we are sure they will continue to be in the years to come.

Here are some other examples which indicate we have hardly begun to live electrically.

On the highway of tomorrow, cars will roll along guided and controlled electronically — safe from collision and over-speeding, while the drivers play games and chat. These cars will be air-conditioned, and will contain most automatic features now available only on the most expensive cars, plus some others that do not exist today.

Electric-Driven Cars

Moreover, the motive power of many of these cars will be electricity. As you may recall, electric-driven cars were quite popular in the early days of the automobile.

Because of improvements in materials, storage batteries and manufacturing "know-how" and because of the special transportation needs they can fulfill, electric cars are now coming back. Here is an electric-driven passenger car which one manufacturer has about ready for market. Other makes are on the way. Electric utilities are ordering them. They find that their range of more than 70 miles is well above the mileage requirements for many of their needs. Batteries will be recharged, usually at night, by plugging the charger provided into a conventional house outlet. In this way utilities will supply the electricity to operate these cars.

These new electric-driven cars will be ideal for city and suburban use. They will cost less to operate than existing cars, will be simple and easy to drive, and maintenance will be negligible.

City noise will be greatly reduced, and so will the air pollution that now takes an unknown, but heavy, toll of health.

While the battery is still a limitation, further advances in the storage battery field seem certain. When they come, the range of electric autos will be increased, and may permit their use even for cross-country travel.

Another new electric development in the automotive field is called the "silent milkman." This is an electric delivery truck that reduces to a whisper the noise from a daily event that is sometimes disastrous to sleep at a critical time of day. It's an improvement which all of us can heartily endorse.

Another example of expanding use of electricity in the commercial field is in shopping centers.

Because of the choking effects of ever - increasing automobile traffic on urban and suburban areas, shopping centers are springing up everywhere, and we can expect this trend to continue. For an idea of what these centers will look like in the future, here is the Southdale Shopping Center at Edina, Minn.

Turning now to another field, hospital care and medicine will be improved by new electronic developments. Here are some of the possibilities.

New hearing devices will be developed. Electronic engineering may enable even stone-deaf people to hear by means of tiny induction coils implanted in the bone structure and attached to nerve endings that go directly to the brain.

Automation of hospital procedures will be extensive. An overhead monorail type of transportation will permit moving patients throughout the building without removing them from their beds. The nurse of the future will be stationed at a central point and will be able to observe her charges on a TV screen; study and record the condition of her patients by remote electronic control.

Climate control and color therapy will become essential elements of hospitalization.

The rooms will be equipped so that desired changes in temperature, humidity and electric ionization can be accomplished by adjusting a dial. As a result, bed covering will be minimal. Walls will be wired for color changes to effect color therapy and music will be keyed to the color changes.

Electric incinerators will find increasing application in hospitals to dispose of the great array of "disposables"—linen, gloves, hypodermic needles and dishes.

Centralized processing of hospital food on a mass production basis together with electronic ovens near the patient will solve one of the major discomforts of a hospital stay—lukewarm or cold meals.

Improved air filtration processes and equipment providing 100% protection against radioactive particles will be in use.

As the electrical era goes on, perhaps the biggest changes will be in the home.

New Things in the Home

But we have hardly begun to live electrically. Here are some of the new things that we can expect to find in the homes of 1979.

Climate control will be universal in all new houses, and widespread in the older ones. It will be hard to sell a house that does not have it.

Push button operation of windows and doors will be found in many new homes.

Luminescent lighting from walls and ceilings will be common.

New cleaning machines will wash, rinse and dry a kitchen floor in minutes.

New automatic laundry equipment will pick up, sort, clean, iron and fold the wash.

Dusting by electrostatic wand will be a welcome improvement for the housewife.

Electronic cooking will be widespread with complete meals taking only five minutes or less from freezer to table by the push of a button.

Greatly improved television equipment will give better reception and greater conveniences, including shopping by TV.

With respect to climate control, here is a new type of structure

*An address by Mr. Drumm before the 2nd Annual Power Progress Dinner in New York City, Feb. 5, 1959.

which has just been built to house the swimming pool at the Shelburne Hotel in Atlantic City. It is a huge bubble-like enclosure made of plastic—shaped and supported entirely by air pressure created by fans. It is located right next to the ice skating rink and is heated so that the bathers will have summer conditions while winter storms blow without.

In 1979 you will see many such bubbles; they are entirely practical for home use.

This is real climate control, and the people of tomorrow's America will enjoy it.

What does this all add up to with respect to the use of electricity in the home?

In 1879 the average residential use of electricity was zero. No household had central-station electric service. In 1939, 20 years ago, the average use was 897 kwh. Today it is about 3,600 kwh. In 1979, 20 years from now, it is expected that the average use will be 10,000 kwh. It could be considerably more than that, as the average for some companies is crowding that figure today. Many customers will use from 30,000 to 40,000 kilowatt-hours a year.

Seventy-five million households each using 10,000 kwh a year amounts to 750 billion kilowatt-hours. This is considerably more than today's entire output by the electric utility industry for all purposes.

What will this increased use of electricity in homes, farms, stores, and industries mean to the utility industry?

Four Times More Generating Capacity

Because of the increased population and the increased per capita use of electricity, the utility industry by 1979 will have to produce something over 2¾ trillion kilowatt-hours and have about 600 million kilowatts of generating capacity. This capacity is about four times the generating capacity in service today and will require tremendous amounts of new capital.

New capital will also be required to continue improvement in the facilities to deliver the electricity from the generating stations to the customer, improvements which will include the raising of transmission and utilization voltages, and the providing of new and improved facilties of all types.

The amount of new capital that will be required by the industry by 1979 will be well over 150 billion of today's dollars. It could well be more.

Large as this figure sounds, a much larger sum will be required to equip factories, industries, commercial establishments and homes to use these great amounts of electric energy. This will greatly stimulate business throughout the entire electric industry as well as associated businesses and industries and the nation itself. Better living and greater comfort for all the people of the United States will be the end result.

As the electrical era progresses, the future of all of us becomes brighter. The electric utility industry is proud of the services it has rendered to its customers and to the nation in the past, and is proud of the trust and confidence placed in it. We hope and believe that the American people will place similar trust and confidence in the privately-owned business-managed electric utility industry for their electrical future.

Miss Edna Moser

Miss Edna Moser passed away Jan. 30. Miss Moser, before her retirement last April, had been for 25 years a partner in the investment firm of Candee, Moser & Co.

Public Utility Securities

By OWEN ELY

Arizona Public Service Co.

Arizona Public Service serves ten of Arizona's 14 counties and covers about 40,000 square miles, reaching about 80% of the state's population. Natural gas is supplied in central and southern parts of the state, steam heat in Flagstaff and bus service in the Bisbee-Warren-Lowell area.

Arizona is one of the fastest growing states and the population gained 56% during 1950-58. A further gain of 70% by 1972 is indicated by projections of the Bureau of Census. The company itself has enjoyed phenomenal growth, with revenues quadrupling from $14 million in 1948 (pro forma to reflect a merger) to $56 million currently. Share earnings of $1.88 for 1958 compare with $1.01 in 1951; and the present dividend rate of $1.20 with 65c in 1948. In the postwar period load growth has averaged over 14% per annum.

More important activities in the service area include mining, cattle, farming, tourist trade and diversified industry. Total income of manufacturing concerns was $475 million in 1957, over four times that of 1947. Crops and livestock were $385 million in 1957, a gain of 105%. Mining income (despite unfavorable copper conditions in 1957) almost doubled in the ten-year period, and the tourist business was three times as great.

In 1957 the state was first in rate of bank deposit growth, growth of manufacturing employment, farm income and personal income, and was a close second in population growth. The mild climate, natural resources and varied transportation facilities together with an ample water supply should encourage continuing industrial development.

The company's revenues are about three-quarters electric and one-quarter gas with a negligible amount from other services. Electric revenues are 29% residential, 34% commercial and 33% industrial. Gas sales are about two-thirds residential.

Electric generating capacity approximates 389,000 kw. from owned or leased plants with an additional 176,000 available as purchased power under contract. Two major generating units are the Phoenix plant with a capacity of 145,000 kw. and the Saguaro plant with 200,000 kw. The remaining small plants are used for peaking and standby service. Important new plants under construction should reduce the use of purchased power as well as provide for additional growth. The Ocotillo plant will have a capacity of 220,000 kw. when completed in 1960; completely outdoor installation will cut construction costs and increase efficiency. The Yucca Plant is being built jointly by the company and California Electric Power, the latter company installing the first 80,000 kw. unit this year.

Arizona Public Service also expects to build a large-scale power plant located at or near a coal mine. Natural gas is currently being used by the four major plants, but they are largely convertible to other fuels. The company's electric and gas rate schedules contain automatic fuel escalation clauses designed to recover any increased cost of gas which is obtained from El Paso Natural Gas under a contract expiring 1968.

In the 12 months ended March 31, 1958 about 42% of electric power requirements were obtained from public power agencies (hydro power) as follows: 22% from the Sault River Project Agriculture Improvement & Power District, 13% from the Arizona Power Authority, 6% from the U. S. Bureau of Reclamation (Parker Dam) and 1% from other sources.

Construction expenditures were estimated at $32 million for last year, part of a $200 million five-year spending program required to keep abreast of anticipated growth. By 1962, the company anticipates, plant should approximate $375 million and revenues about $100 million.

The company has not had to do much equity financing recently. Three offerings of common stock were made in 1952-53 but since then there has been only one offering, late in 1955 (some additional shares have been issued for conversion of preferred stock, etc.). The company has enjoyed an increasing amount of internal cash generation as the result of larger-than-average depreciation charges, tax savings from accelerated amortization and fast depreciation, etc. Last June the company sold about $12 million preferred stock, making the capital structure approximately as follows:

	Millions	%
Long-term debt	$77	47.3
Preferred stock	31	18.8
Conv. $2.40 pfd. stock	9	5.6
Common stock equity (2,939,000 shares)	46	28.3
Totals	$163	100.0

The company appears to be in sound position from a regulatory point of view, rate of return on year-end net plant having averaged below 6% for some years.

Share earnings include the following approximate amounts of tax savings resulting from the use of accelerated depreciation, which savings were allowed to "flow through" to net:

1954	$0.04
1955	0.11
1956	0.21
1957	0.29
1958 (estim.)	0.36

At the recent over-counter price around 37 the stock yields 3.3% and sells at a price-earnings ratio around 21.

Three With Wm. R. Staats

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Thomas E. Moore, Walter E. Peter and Thomas Sidenberg have joined the staff of William R. Staats & Co., 640 South Spring Street, members of the New York and Pacific Coast Stock Exchanges. Mr. Moore was formerly in the trading department of Cantor, Fitzgerald & Co. Mr. Peter was with Morgan & Co.

Joins Walston Staff

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.— David Aranoff has joined the staff of Walston & Co. Inc., 550 South Spring Street. He was formerly with Daniel D. Weston & Co., Inc.

Paul A. Just Joins Hugh W. Long & Co.

PALM BEACH, Fla. — Paul A. Just has joined Hugh W. Long and Company Incorporated as

Paul A. Just

regional Vice-President for the southeastern states, with headquarters at 226 Chilean Avenue.

Mr. Just was formerly Executive Vice-President of Television Management Corporation.

Earl F. Berry Joins Eastman Dillon Co.

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Earl F. Berry has become associated with Eastman Dillon, Union Securities & Co., 3115 Wilshire Boulevard. He was formerly with the trading department of the First California Company.

Peter P. McDermott To Admit J. McDonald

Peter P. McDermott & Co. on Feb. 19 will admit John Joseph McDonald, Jr., to partnership in the firm.

Sutro Adds to Staff

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Harvey Yatman has been added to the staff of Sutro & Co., Van Nuys Building.

Volume Projections for Various Industries

An industry by industry outlook appraisal for 1959 results in an optimistic overall expectation. Department of Commerce ascribes key elements of strength to automobile production recovery, construction, and increased steel output.

The Department of Commerce announces that the annual overall survey by its Business and Defense Services Administration indicates that industry looks optimistically to 1959 operations.

The outlook for some 75 industrial segments of the economy have been appraised by 24 industry divisions of the BDSA, Administrator H. B. McCoy said. The survey is a consensus of industry and government experts in each field. It summarizes specific industry reports on both outlook for 1959 and activities in 1958.

The expectation for improvement in 1959 is based primarily on the general strength of the economy, following its recovery from the 1957-58 decline.

Key elements in the anticipated improvement are automobile production, now estimated at 5.5 million after the 1958 low, a record construction estimate of $52.3 billion, and steel output figured at between 105 and 110 million tons.

The Industry-By-Industry Outlook Follows:

Automobiles: The skies are clearing in this industry whose operating level affects so vitally many segments of the U. S. economy. Industry estimates look to produtcion of 5,500,000 passenger cars in 1959, or 30% above the 1958 output of 4,240,000, lowest in a decade. The expected increase in automobile production would be reflected in increased markets for metals, glass, rubber, and upholstery leather. The automobile industry is the largest single customer for the output of these industries.

Better public attitude toward new-car buying, engineering and styling changes, a general upswing in the economy, and more stability in the industry itself because of the new labor contracts are the principal factors responsible for the optimistic outlook.

Trucks and Truck-Trailers: Low inventories of new and used vehicles and increasing tonnage movement by the trucking industry are major factors to which the commercial motor vehicle producers look for a strong market in 1959 after a disappointing 1958. Truck production should reach 1,000,000 units, a 20% increase over 1958 and truck-trailers, 56,349 units, a 21% increase over 1958. Truck manufacturers are facing stiffer competition in the export market.

Construction: The biggest single industry in the American economy is expecting to pass the $50 billion mark for the first time in 1959, with advance estimates putting construction spending at $52.3 billion, a 7% increase over 1958. This would reflect a new high in physical volume as well as dollar volume.

Private construction — largely housing—is expected to account for $35.2 billion of the total; public construction, including the highway program, is due to reach $17.1 billion. The prospective increase in private construction is figured at 4%; in public construction, 14%. Approximately 1.2 million new non-farm dwellings, public and private, are in sight for 1959.

Construction expansion will be reflected in increased expenditures for many building materials and in other allied lines.

Manufacturers of warm air furnaces and automatic heaters are optimistic for the 1959 market because of the building outlook.

Prefabricated Homes (Wood): The manufacturers of prefabricated homes expect to continue their gains in the housing market in 1959 and reach a new peak in output and sales. Production in 1958 is estimated at 61,000 units and for 1959, 64,000, largely for single-family occupancy.

Lumber: Based on the generally favorable economic outlook, the lumber industry expects production in 1959 to increase about 3.5% over the estimated 32 billion board-feet produced in 1958. Gross sales are expected to rise 6.6% and total lumber consumption about 3.8%. The anticipated level of residential construction is the biggest single factor in the optmistic outlook.

Softwood Plywood: This industry is expected to establish its 13th consecutive production record in 1959, with output in excess of 6.5 billion square feet (⅜" basis), an increase approximating 10% over 1958. Increased promotional activity aimed at diversification in market outlets is expected to help the industry.

Hardwood Plywood: Foreign competition continues to cut into the demand for domestic hardwood plywood, and the industry expects the downward trend to continue in the new year. Shipments in 1958 were estimated at 760 million square feet, surface measure, compared to 793 million in 1957 and 891 million in 1956. Consumption—domestic shipments plus imports — which had been growing, dropped 25 million square feet in 1958 to an estimated total of 1,602 million.

Electrical Equipment: A general strengthening of the electrical equipment market after a disappointing start in 1958 promises a 10% increase in sales in 1959 for a total of $6.5 billion. The industry covers transmission and distribution equipment, motors and control apparatus, lighting equipment, and electrical construction materials.

Increased generation of electrical energy and new construction are two of the leading factors in the anticipated build-up.

Iron and Steel. Generally-improved business conditions plus inventory build-ups are expected to push 1959 ingot production to 105 or 110 million tons. This compares with 85 million tons in 1958 and the peak production figure of 117 million tons in 1955.

The projected 1959 level assumes no major strikes in steel-producing raw material or steel-consuming industries. The three-year labor contract expires July 1, however, and this could inject a new element into the picture.

As the new year begins, ingot capacity will approximate 147 million tons, an increase of 6.3 million tons over Jan. 1, 1958.

Paralleling the ingot production expansion, increased activity also is in prospect for the forging, castings, and ferroalloys industries. Steel would be helped by the anticipated pick-up in construction and in automobile manufacture.

Steel prices are expected to remain more or less stable during the first half of 1959.

Machine Tools: This industry enters 1959 with prospects for moderate improvement over the disappointing year of 1958. Recession factors disturbed the industry during the past year, with the replacement market failing to come up to expectations, export activity declining, and imports continuing to offer serious competition to the domestic market.

Cutting Type Machine Tools: This segment of the industry operated at the lowest level of the past 10 years, with 1958 shipments approximating $410 million, or about 40.3% below the $793.3 million level of 1957. Gross new orders are estimated at $310 million, or about 42.4% below the 1957 level. It is estimated that 1959 shipments will approximate $420 million.

Forming and Shaping Type Machine Tools: Shipments for 1958 are estimated at $148 million, as compared with $258 million for 1957. Gross new orders are expected to approximate $115 million, or about 18% under the 1957 level. Shipments for 1959 are estimated at $155 million.

Electronics: Spurred by military and industrial needs, total electronics output in 1959 is estimated by $7.9 billion, a new record that exceeds 1958 levels by 14%. More than half goes to the military.

Consumer demand for radio and television receivers, phonographs, and other consumer products is expected to recover from the dip registered in 1958, while the output of industrial and commercial electronics equipment will follow the trends of the expanding economy.

Electronics sales in 1958 were only slightly below 1957.

Copper: With many important copper-consuming industries predicting an improved volume of business, the increased demand for copper and its products which appeared in late 1958 is expected to carry through the coming year. Supply and demand are due to come into better balance, and greater price stability consequently is in prospect. The copper and copper-base products supply situation is rated the best in years, due to expansion of mining capacity and mill facilities. In the past year, every segment of the industry showed a decline from 1957.

Lead and Zinc: Strengthened demand for lead and zinc is the 1959 forecast. For lead, the outlook is for consumption about 5% over the 1958 estimate of a million short tons—a figure 12% below 1957. Zinc usage is expected to be 8 to 10% above estimated 1958 consumption of 865,000 short tons—a falling-off of 7.6% from 1957.

Aluminum and Magnesium: Producers anticipate aluminum shipments in 1959 will be 20% or more above 1958, because of increased usage in normal channels of consumption, plus the growing demand for the metal in new products. Primary production approximating 1.6 million tons in 1958 runs about 6% below 1957, and shipments of mill products and ingots to consuming industries lag in about the same proportion. Recently announced stabilized prices will aid the industry.

The magnesium outlook also is good, with the upward trend in shipments of magnesium ingot, castings, and wrought products continuing. The growth may approximate 20%. Aircraft and missile programs stimulate demand.

Consumer Durable Goods: This diverse group of industries generally is optimistic for 1959, after a mixed record in 1958. Competition from imports is being felt in some quarters.

Manufacturers of household appliances—such items as washing machines, freezers, and vacuum cleaners—look for a 5% pick-up from 1958, which showed an 18% declined from the 1956 peak. Despite the slowdown in 1958—8% from 1957—sales remained high in comparison with other years generally.

The furniture outlook warrants "considerable optimism," according to the industry, with the downtrend apparently stopped after bringing 1958 manufacturers' shipments to less than 10% under 1957.

Widely diversified industrial, scientific, and household use along with the high level of income is expected to raise sales of pressed and blown glass products —excluding handmade glassware —to a new record. A 5% gain over

Continued on page 37

THE MARKET . . . AND YOU

By WALLACE STREETE

Stocks staged a selling climax at the end of a four day string of declines to start off this week and then promptly snapped back to make up around half of the lost ground but the feat was mostly a technical correction and was accomplished on a steadily dwindling turnover that robbed it of much possible significance.

* * *

About the only clearcut aspect in the performance was that buying support moved in around the 575 area where it had generally been expected to be found. The whole maneuver retraced less than 4% of the bull swing which is short of what would be a normal full-scale correction and did little to dispel the great amount of caution with which the market is being viewed in Wall Street. Time will be required to establish the fact that a solid floor has been reached, or that a new base further down the ladder is needed.

Volatile Issues

The high-priced, quality items were the ones that bore the brunt of the final selling, issues of the calibre of du Pont, Minnesota Mining and American Telephone; and were the ones that were first to rally on the rebound. Lukens Steel was a standout performer, able to make good progress when the rest of the list was retreating and then soaring when the general list was rebounding. The issue has been building up a following since it broke out of its range on the upside amid glowing reports of its going on to fantastic levels.

* * *

Unlike the various market barometers, the list was still studded with issues with above-average yields that have a long way to go before they are in position to joust with their previous peaks, even including du Pont which had nudged 250 in 1955 and even 237 in 1956 and hasn't been within a score of points of even the latter figure since. Joy Mfg., a leader in the mining machinery field, similarly has been hovering some two dozen points below its 1957 high although at recent levels its yield was in the 4% bracket.

Railway Equipments Favored

The railway equipment shares were in favor in many quarters, mostly because an upturn in the fortunes of the nation's railroads should logically benefit them handsomely. Maintenance expenditures and buying of new equipment were among the first to feel the recession pinch in the railroad business. Moreover, the rail equipments generally are selling even below book value which is the case in both Pullman and Alco Products, both of which offer an adequate 5% return.

* * *

ACF Industries, despite an occasional surge, has been available at a score of points under its 1957 high and a 5% yield. This company, more than the other rail equipment firms, has been pushing diversification aggressively and is now in material handling work, electronics and nuclear reactors. Earnings were sharply lower last year but a rebound this year seems to be assured. The issue was available last year at half of its book value of more than $80.

Motors Uncertain

Auto shares, except for American Motors which was given to moving widely but without too much overall progress, were still the unknown quantity and showed it by lolling around without much conviction. Some layoffs by General Motors hinted that the new models might not be getting a rousing greeting; Chrysler was still troubled for supplies of glass. Only Ford of the Big Three seemed to be perking along smoothly. Steel orders and operations were picking up nicely but, apparently, without important new demands from the auto front.

* * *

A candidate for a better dividend is Blaw-Knox, important supplier to heavy industry and the construction business. Earnings held up well last year, according to company estimates, covering the $1.40 cash payment more than twice over. The cash payment normally is larded with small stock payments. Moreover, a forthcoming acquisition of Aetna Standard Engineering will lift the company's earnings potential to some three times the cash requirement. The stock is one of those selling at a conservative price-earnings ratio. On projected earnings for this year the recent market price was only nine-times earnings.

* * *

The below-average price-earnings ratio in the rubber group is U. S. Rubber which has normally had a lower ratio than its competitors in part because of its larger outstanding issues of senior obligations. Here, too, the recent price is a dozen points under the high for 1956 with a comfortable dividend well into the 4% bracket.

Although the rail business is recovering generally, even

the quality issues in the carrier section weren't in much favor although, as in the case of Southern Pacific, there is the added note of a $20 million windfall dividend from its holdings of St. Louis Southwestern. With the help of this, which will add about $2.20 to reported earnings, some projections are for a $9 profit for Southern Pacific. Yet the stock lately has been hovering between seven and eight-times earnings and offering a return of well past 4½% despite the fact that the windfall makes Sopac a candidate for something in the way of a stock dividend as well as a better cash payout than the indicated $3, or one-third of this year's estimated results.

* * *

Union Pacific is also among the candidates for dividend improvement since it covered its payment twice over in the recession year of 1958, turning in a profit only a few pennies under that earned the year before. Operations point to a new high in earnings for this year, even without its oil revenues picking up importantly. The return on UP is one of the smaller for quality rails, around 4¼%, but obviously that picture would alter swiftly with any change in the present rate.

* * *

Food stocks have been rather neglected recently although some of the spotlight was turned in their direction when Standard Brands bobbed up as a stock-of-the-month selection by one service. Standard has had a quiet but steady upturn in per share profits since 1955, first time in the decade that it failed to improve on the previous year's results. Further growth seems assured and the company has been quick to reward shareholders when business is good, increasing its dividend twice last year. Despite this largesse, its recent yield of nearly 4% is still an above-average one for a quality item.

* * *

Fansteel Metallurgical, which could benefit importantly from the recent success in casting molybdenum, a hitherto balky metal, has shown the least response to the development. Throughout all of last year and this the issue has held in a range of around 14 points and hasn't made any serious attempt to reach its 1957 high. The company is a low-yielding item but its growth has been impressive, with profit ahead more than 400% in a decade. It has been busy expanding its facilities and is a large supplier to the electronics industry where the romance of the field has spurred wide, even illogical market movements.

[The views expressed in this article do not necessarily at any time coincide with those of the "Chronicle." They are presented as those of the author only.]

Chase Manhattan Group Offers Bonds of State of Washington

The Chase Manhattan Bank heads an underwriting syndicate which on Feb. 10 was awarded an issue of $25,000,000 State of Washington, General Obligation Institution Building Bonds, due Feb. 1, 1960 to 1979, inclusive. The group submitted a bid of 100.049999 for a combination of 4s, 3s, and 3.20s, representing a net interest cost of 3.17472% to the state.

Public reoffering of the bonds is being made at prices to yield from 1.80% to 3.25%, according to maturity.

Participating in the offering are: J. P. Morgan & Co., Inc.; Blyth & Co., Inc.; The First Boston Corp.; Harriman Ripley & Co. Inc.; Smith, Barney & Co.; The Northern Trust Co.; Harris Trust and Savings Bank; Seattle-First National Bank; Carl M. Loeb, Rhoades & Co.; Wertheim & Co.; Ladenburg, Thalmann & Co.

A. C. Allyn and Company Inc.; Alex. Brown & Sons; F. S. Moseley & Co.; Schoellkopf, Hutton & Pomeroy, Inc.; B. J. Van Ingen & Co., Inc.; Bache & Co.; City National Bank & Trust Co., Kansas City, Mo.; Clark, Dodge & Co.; Francis I. duPont & Co.; Fidelity Union Trust Company, Newark; Fitzpatrick, Sullivan & Co.

Ira Haupt & Co.; Hirsch & Co.; J. A. Hogle & Co.; W. E. Hutton & Co.; Laurence M. Marks & Co.; W. H. Morton & Co., Inc.; R. H. Moulton & Co.; Wm. E. Pollock & Co., Inc.; Shearson, Hammill & Co.; Swiss American Corporation.

Spencer Trask & Co.; Trust Company of Georgia; Bramhall & Stein; Harkness & Hill Inc.; The Illinois Co. Inc.; Northwestern National Bank of Minneapolis; Ryan, Sutherland & Co.; Stern Brothers & Co.; Tripp & Co., Inc.; Wood, Gundy & Co., Inc.

Two With Merrill Lynch

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio — Thomas L. Curran and Robert K. Schuster are now with Merrill Lynch, Pierce, Fenner & Smith, Incorporated, 216 Superior Avenue, Northeast.

St. Louis Municipal Dealers Annual Party

ST. LOUIS, Mo.—The St. Louis Municipal Dealers Group will hold their annual spring party April 29-May 1. The field day itself will be at the Sunset Country Club, May 1. A preceding opening will be held in the St. Louis Room April 29.

Floyd Beatty, A. G. Edwards & Sons, is General Chairman of the party.

Joins Bache Staff

(Special to THE FINANCIAL CHRONICLE)

COLUMBUS, Ohio—Ronald V. Howard has joined the staff of Bache & Co., 30 East Broad St.

Future of the Bank of England

By PAUL EINZIG

Commentator from Great Britain anticipates a Radcliffe Committee's recommendation that Bank of England's part-time directors be dropped, even though they were cleared of all charges of dereliction of duty. Dr. Einzig maintains that use of full time directors without any outside interests will isolate the Bank from the realities of economic life and make it impossible to forestall trouble in firms that are important to the economy. He hopes the present government will not mistakenly try to be more Socialistic than the Labor Government in urging the former not to try to steal Labor thunder by eliminating part-time directors.

LONDON, Eng.—When the Governor of the Bank of England, Mr. Cobbold, was recently reappointed, he made it plain that he may not wish to serve the entire term of five years. This was interpreted as foreshadowing the possibility of his resignation in the case of the advent of a Socialist Government. In view of the attitude of the Labor Party towards the Bank of England on the occasion of the inquiry over an alleged Bank Rate leak in 1957, it would indeed be difficult to visualize friendly collaboration between Mr. Cobbold and Mr. Harold Wilson, who will be Chancellor of the Exchequer in the next Labor Government.

Dr. Paul Einzig

For this reason alone, Mr. Cobbold may have considered it advisable to reserve the right to resign before his new term of office expires. There is, however, another reason. It is the anticipation of certain recommendations by the Radcliffe Committee, whose report on the currency system is now expected to be issued towards the middle of this year. Even though the Committee has not completed its deliberations, and its proceedings are a closely-guarded secret, several witnesses who gave evidence before it came away with the distinct impression that some key members of the Committee are strongly critical of the Bank of England and are in favor of recommending some drastic changes. This at any rate was indicated by the way these members of the Committee questioned the witnesses concerned.

Even though the members who disapprove of the Bank of England may constitute a minority, they include some highly dynamic personalities. As it usually happens on such Committees that their conclusions are influenced by a small number of dynamic members, it seems reasonable to expect that the report will contain recommendations that will displease the Bank of England. In particular, it is expected that the Radcliffe Committee will suggest the termination of the existing system under which the majority of the directors of the Bank of England are part-time directors whose main interest lies outside the Bank.

Until the late 'twenties all directors were merchant-bankers, but during the last 30 years or so a number of senior officials of the Bank were made full-time directors, and part-time directors now include representatives of other economic interest in addition to merchant banks. Even so, the merchant banking element continues to be represented to an extent that, as critics argue, is entirely out of proportion to the relative importance of merchant banks in the national economy. The Committee is not likely to confine itself, however, to recommending an increase in the proportion of industrialists and other non-bankers on the board of the Bank. It is credited with the intention of strongly advocating the abolition of the system of part-time directors altogether.

Part-Time Directors Were Fully Cleared

Such a recommendation would be fully in accordance with the wishes of the Labor Party. The Bank Rate leak affair was worked up mainly with the object of discrediting the system of part-time directors by conveying a suspicion that such directors are in the habit of making use of inside information for their personal gain. A thorough investigation of all transactions that preceded the Bank Rate change of September 1957 was carried out by a court of inquiry presided over by a senior judge (the present Lord Chief Justice) and its findings completely cleared the part-time directors of all such charges.

Even so, Socialists remained convinced that it is wrong to retain part-time directors. Whether or not the Radcliffe Committee will recommend the abolition of the system, it is safe to assume that the next Labor Government will take an early opportunity to lay down the rule that henceforth all directors of the Bank of England must be full-time directors with no outside interests. For there is a strong feeling among leading Socialists that so long as the present system continues the Bank of England is not really nationalized but is still under control of private interests.

In reality, all major decisions of policy are taken by the Government. Even though the Governor and other high officials are able at times to influence those decisions by their advice to the Chancellor of the Exchequer, their position in this respect does not differ from that of senior Government officials who have direct access to their Minister. Evidence given during the Bank Rate inquiry showed that the Governor is in the habit of consulting the part-time directors as well as the full-time directors about Bank Rate changes under consideration. But the decision whether to recommend a change to the Chancellor of the Exchequer rests with him, and in any case the Chancellor is at liberty to disregard his advice. The same is true about other important policy decisions. It seems, therefore, that the Socialists grossly exaggerate the alleged influence of part-time directors on the montary policy of the country.

These directors are of course in a position to influence the Governor and, through him, the Chancellor, by providing information about developments that are liable to influence policy decisions. Under the existing system a constant stream of information concerning the position in banking, industry, commerce, etc., reaches the Bank enabling the Governor to judge the situation and prospects correctly.

Should the part-time directors be removed, the Bank of England would find itself largely isolated from the realities of economic life. No matter how able the full-time directors are, their lack of direct contact with practical business outside the windowless walls of the Bank of England is bound to place them at a disadvantage. Even if some of the full-time directors were chosen among former bankers and businessmen, the practical experience they had gained before their appointment would be a wasting asset—they would gradually lose touch with the ever-changing situation.

Another Advantage

Nor is this all. Under the present system of Bank of England acts as a high-class clearing house for top-level business appointments. Whenever some important firm is in difficulties the Bank of England advises it and suggests the reinforcement of its board of directors. By such means it was possible during the postwar period to rescue many important firms, before the public even realized that there was trouble. The informal contact between the part-time directors and the Governor on the one hand, and between the Governor and the Chancellor on the other, is a great advantage, and it would be a great pity to terminate it.

Needless to say, the Radcliffe Committee is only too familiar with this line of argument. But some of its members at any rate are inclined to take a political view and to recommend the change because they feel that it is bound to be carried out in any case by the next Labor Government. It is to be hoped, however, that the Conservative Government would not implement any recommendation to that effect. For it is a mistake for a Conservative Government to try to be more Socialistic than a Labor Government. In doing so it would only force the next Labor Government to go even further in its measures against the present organization of the Bank of England than it would really wish to go. By doing away with part-time directors a Labor Government would satisfy many of its Left-wing supporters. But if this change is made by a Conservative Government then the Labor Government will have to do something more drastic to show its Left-wing supporters that it is more radical than its predecessor.

It is inconceivable that a Labor Chancellor of the Exchequer if forestalled in respect to the removal of part-time directors might place the hidden reserves of the Bank of England under Treasury control. When the Bank was nationalized in 1945 Socialists with inside knowledge were very pleased with the compulsory acquisition of the privately-owned stock at a price which did not even pay for the hidden reserves. But those reserves have been left in the possession of the Bank, so that if a private bank gets into difficulties the Governor is in a position to assist it without any publicity. He may consult the Chancellor of the Exchequer informally, but the transaction can be effected without any public discussion. On the other hand, if a Labor Government should assume control of the Bank's hidden reserves, any assistance would have to go through Parliament, and the inevitable publicity attached to it might do incalculable harm.

It would be, therefore, a grave mistake for a Conservative Government to steal the thunder of the next Labor Government by doing away with part-time directors. In doing so it would only induce the next Labor Government to do something much more radical and even more harmful.

With Ross, Borton

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio—Byron E. Kennel is now affiliated with Ross, Borton & Co., Inc., The 1010 Euclid Building.

Signing Documents on $40,000,000 Borrowing by Kingdom of Denmark

Count K. G. Knuth-Winterfeldt, Ambassador of the Kingdom of Denmark to the United States, is shown (seated, center) signing documents in New York City relating to the borrowing by Denmark of the equivalent of $40,000,000. The borrowings were effected through a public offering of $20,000,000 Kingdom of Denmark bonds by a New York underwriting group of investment banking firms headed by Kuhn, Loeb & Co.; Smith, Barney & Co.; Harriman Ripley & Co., Incorporated and Lazard Freres & Co., and through a $20,000,000 loan from the World Bank.

Participating in the signing ceremonies are, (seated, left), Bjorn Olsen, of the Danish Ministry of Finance, and (seated, right), Davidson Sommers, Vice-President of the World Bank. Standing, left to right, are John M. Schiff, Senior Partner of Kuhn, Loeb & Co.; Stuart F. Silloway, President of Harriman Ripley & Co., Incorporated; Charles J. Stewart, Partner of Lazard Freres & Co.; and Nelson Schaenen, Partner of Smith, Barney & Co.

National City Bank Reflects On Gold Price Rise Argument

New York bank concludes that raising the price of gold whenever gold reserves feel cramped reduces the gold price to "an index of the willingness of governments to inflate." Further, the bank notes the favorable coincidence between the long gold price stability from 1700 to 1931 and dynamic population and economic growth changes wherein there was no shortage in total money supply

This month's issue of the First National City Bank of New York's "Bank Letter" examines British economist Roy Harrod's prescription of $100 for an ounce of gold.

The "Letter" notes that "more talk of the need for an increase in the price of gold has been heard in London perhaps than anywhere else in the world, though the subject is also of major interest in South Africa, the leading gold producer. Ideas vary on how high the gold price should be raised; the most extravagant figure mentioned is the $100 an ounce proposal put forth by Professor Roy Harrod of Oxford.

"Curiously, all the discussion has ignored the longest range extant record of the price of gold, a chart of the London gold price reaching back 700 years to about the year 1250. The chart is found in the 1951 Annual Report of the Bank for International Settlements.

"The chart is worth some study. Most striking perhaps is the remarkably consistent upward trend in the price of gold from the Middle Ages up to the time of the founding of the Bank of England in 1694. The rate of rise works out to 0.38% a year compounded annually. Projecting this age-old trend produces for 1958 a price for gold in London of 250 shillings per ounce. It is an amazing fact that this is today—and has been since 1949—the ruling price in London. It is equivalent to the U. S. price of $35 an ounce after converting shillings at the official rate of 14 cents apiece.

"Thus, the current gold price, according to the trend of long history, would seem to be just 'right.' Raising it to 714 shillings an ounce, the sterling equivalent of Mr. Harrod's proposal of $100 an ounce, would be premature. Calculated from the trend, this would not be the right price for another 278 years."

Notes Favorable Coincidence

"Of special interest is the long period of stability in the London gold price, from around 1700 to 1931. Apart from upsurges during and after the Napoleonic Wars and the First World War when the British Government let the pound depreciate in terms of gold, gold remained steady at about 78 shillings an ounce. Coincidentally, this is also the period in which the Bank of England attained world-wide renown as banker to the world while Britannia ruled the seas.

"These 200 years of stability are especially impressive since they span a period in which population growth, world-wide economic development and industrialization, and expanding international commerce were producing a rapid increase in demands for money, far in excess of the expansion in the supply of gold. One might have thought that this would have increased the price of gold. What helped hold the gold price stable was the widening use of supplements to gold as money, in the form of paper currency and bank deposits. The supplements themselves were kept valuable by limiting their issue and making them convertible on demand into gold.

"Thus, essentially, it was old fashioned — Victorian — morality and caution which defied the trend for over 200 years and kept the gold price stable. People be-

lieved that in all but the most extraordinary circumstances payment on demand in gold was necessary as a point of national honor. They were willing to limit liabilities undertaken accordingly, and accept occasional painful periods of retrenchment and business failures whenever overambitious commitments reached an unsustainable level.

"Today, deflations are considered to be intolerable. All over the world governments have accepted responsibility for maintaining high levels of employment and production. This makes it all the more necessary to take timely action to check inflation before it gets rolling too fast."

Index of Inflation

"Determination to resist inflation can make deflations unnecessary. But if currencies are devalued whenever gold reserves feel cramped, the price of gold will simply become an index of the willingness of governments to inflate. And inflation, equally with deflation, brings social inequities and stresses and strains, upsets political stability, and undermines the functioning of markets for money and credit which are essential to orderly production and trade.

"No responsible government should want to raise the price of gold to heights which would create a monetary base for accelerating inflation and a flight from its currency."

W. M. Lendman Joins Granbery, Marache Co.

William M. Lendman has become associated with Granbery, Marache & Co., 67 Wall Street, New York City, members of the New York Stock Exchange, as Manager of the Sales Department.

Bankers Underwrite Conn. Lt. & Pow. Offer

The Connecticut Light & Power Co. is offering to holders of its common stock the right to subscribe for 762,565 additional shares of common stock at a subscription price of $22.50 per share on the basis of one new share for each unit of 10 shares or less held on Feb. 5, 1959. The company is also offering to employees of the company and its subsidiaries the privilege of subscribing for the new shares of common stock not subscribed for through the exercise of stockholders rights, at the subscription price of $22.50 per share. The subscription offer to stockholders will expire on Feb. 24, 1959, and the subscription offer to employees on Feb. 19, 1959.

The offering is being underwritten by a group of investment banking firms of which Morgan Stanley & Co., New York; Putnam & Co., Hartford, Conn.; Chas. W. Scranton & Co., New Haven, Conn.; and Estabrook & Co., New York and Boston, are managers.

Net proceeds from the financing, together with funds from internal sources, will be used by the Company to repay outstanding bank loans, to finance in part the Company's 1959 construction program and for other corporate purposes. It is estimated that the construction program will require expenditures of about $39,000,000 in 1959.

The Connecticut Light & Power Co., the largest electric and gas utility in Connecticut, is engaged principally in the production, purchase, transmission, distribution and sale of electricity for residential, commercial, industrial and municipal purposes within the State of Connecticut. Territory served by the Company with electricity, gas, or both, covers about 3,286 square miles, or 67% of the area of the state. The area served has a population of about 957,300, according to the 1957 estimate of the Connecticut State Department of Health, which is 41% of the state's population. About 86% of the Company's operating revenue for 1958 came from electric service, and the balance from gas service.

For the year 1958 the Company had total operating revenues of $77,954,000 and net income of $12,709,000, equal to $1.41 a common share after dividends on preferred stock. For the year 1957 the Company reported total operating revenues of $74,900,000 and net income of $11,258,000, or $1.21 a common share after dividends on preferred stock.

The Agricultural Outlook

By O. V. WELLS*
Administrator, Agricultural Marketing Service
U. S. Department of Agriculture, Washington, D. C.

Agricultural marketing official lists 1959 outlook commodity by commodity and surmises cash receipts from farm marketings as a whole should hold well in 1959 compared to 1958. And, despite certain income decreases, farmers' total realized net income should fare as well this year as in the year past. Mr. Wells reports estimated increase in Jan. 1, 1959, agricultural assets of $13.3 billion as against $2.4 billion increase in liabilities. He reviews some basic underlying problems; notes continuing rise in per-acre farmland values; believes farm surpluses will remain for some time; and calls attention to the fact that rising population will require balanced rate of farm production growth.

The opening paragraphs of our "Demand and Price Situation" released by the Agricultural Marketing Service, U. S. Department of Agriculture, last Nov. 12, 1958, summarize the agricultural outlook for 1959 as follows:

Oris V. Wells

"Prices received by farmers, which this year are averaging at their best level in five years, may show some decline in 1959, mainly because of lower prices for hogs. Although an increasing flow of products from farms will probably maintain total cash receipts from farm marketings, the elimination of acreage reserve program payments after 1958 and prospects for a further slight rise in production expenses could well bring a reduction of some 5 to 10% in realized net farm income, depending largely on the level of crop production next year. This year net income is running some 20% above 1957, and the highest in 5 years. As the economy continues to recover from the recent recession, the income which farm people get from nonfarm sources should increase. Off-farm income now provides about one-third of farm people's total net income.

"Underlying the agricultural outlook for 1959 are the prospects for: Increased consumer income and a stronger domestic demand for food and most other farm products; slightly reduced foreign takings of U. S. farm products in the current fiscal year compared with 1957-58, with exports again aided by extensive government programs; and continued heavy supplies of farm products generally, with wheat and feed grain supplies especially burdensome."

I shall organize my remarks around these summary statements and the "Commodity Highlights" which are included in the same report. These are as follows:

Prices of cattle will hold up well in 1959. Prices of hogs will decline considerably during the year and be much lower next fall than now. Prices of sheep and lambs will probably remain fairly stable.

Consumption of milk products in commercial outlets in 1959 probably will be more nearly in balance with milk production than in any of the past six years. A slight increase in milk output and in consumption are both probable next year.

Supplies of poultry meat will be larger and broiler prices lower in the first few months of 1959 than in the same months of 1958. Also, egg supplies will be larger until late summer, and prices are likely to be lower.

Supplies of all oilseeds and peanuts are abundant, and farm prices will likely average near support in the 1958-59 marketing year but less than a year earlier.

The total feed supply is 10% larger than in 1957-58. Feed grain prices are expected to average a little lower in 1958-59 than in 1957-58, reflecting both the larger production and slightly lower government price supports.

The carryover of wheat at the end of this marketing year next July may be over 400-million bushels higher than in July, 1958 and the largest in history. A further increase may occur in 1959-60. The supply of rye totals 47.2-million bushels compared with 36.4-million a year ago. Rice stocks are likely to be reduced during the current year. In 1957-58 the price received for rice averaged 34 cents above the support rate of $4.72 per cwt. This year it is again expected to be well above the support rate announced at $4.48.

Production of citrus fruits in 1959-60 will probably be up from this year; deciduous fruit production will be about the same, assuming average weather.

Supplies of canned vegetables available up to mid-1959 will be a little larger than last season and materially larger than the 1949-56 average. Heavy supplies of potatoes will be available at least into spring, and prices to farmers are expected to continue well below those of a year earlier.

The supply of cotton in 1958-59 is expected to total close to 20½ million bales. With exports of around 4 million bales and domestic mill consumption of around 8 million bales, the carryover into 1959-60 is likely to be a little below the 8.7 million bales carried over into the current marketing year.

Mill use of apparel wool, after declining since mid-1956 turned upward in early 1958, and with a further expansion of economic activity in prospect, consumption in 1959 will likely be up from 1958.

Cigarette output is likely to continue its upward trend as a result of an increase in population of smoking age and additional smokers among women. The utilization of tobacco, which turned upwards in 1957-58, is likely to increase further in 1958-59.

With economic activity rising, a stronger demand for pulpwood, veneer logs, and sawlogs is in prospect for 1959.

The downtrend in naval stores supplies is expected to continue in 1958-59. With production down a little more than domestic disappearance and exports, prices are likely to average higher in 1958-59 than last year.

Cash Receipts Outlook

In summary, cash receipts from farm marketings should be well maintained in 1959 as compared with 1958. Somewhat lower receipts for hogs and wheat are likely to be offset by larger receipts from other commodities. However, Soil Bank payments to farmers will be susbtantially reduced with elimination of the Acreage Reserve Program, which this year accounted for $700-million cash payments. Some part of this reduction will be offset by expansion of the Conservation Reserve Program. Further, increasing interest, tax, wage, and other costs will likely bring some increase in farm production expenses next year. Thus, some reduction in aggregate or total realized net income to farm operators from farming appears to be in prospect, although indications now are that many farmers will fare about as well in 1959 as has been the case in 1958.

Agricultural Balance Sheet

Perhaps I should also add a word about the estimated Balance Sheet of Agriculture for Jan. 1, 1959, as compared with Jan. 1, 1958.

The estimated value of all agricultural assets, including the farmers' financial assets, will run about $200-billion Jan. 1, 1959, as compared to $186.7 billion a year earlier. Liabilities against these assets are estimated at $22.6 billion for Jan. 1, 1959, as against $20.2 billion a year earlier. The estimated increase in assets is about equally divided between the value of farm land and estimated increase due to larger livestock and crop inventories, while the increase in liabilities is about equally divided between increase in nonrecource Commodity Credit loans and increase in conventional commercial credit or farm mortgage debt.

Basic Problems

The main burden of this discussion has been the current agricultural situation and outlook for 1959. Meanwhile, there are some basic underlying problems which we also need to keep in mind, problems which have much to do with the current agricultural situation and which are likely to also continue with us for some time ahead. These are:

(1) The problems of the "inflationary creep."

(2) The problems associated with the new "economies of scale."

(3) The problem of "surplus" farm supplies.

The continuing increases in the nation's general cost structure have had more effect on farmers' costs over the last few years than on prices of products sold by farmers. Farmers must not only pay higher per-unit cost rates, but current technical advances are also such that farmers must increasingly use purchased rather than farm-produced resources. Further, the cost of handling, processing, and selling food and textile items is also climbing, which of course means increased consumer costs and sales resistance. All of this adds to the farm "cost-price squeeze."

Meanwhile, we are all acquainted with the speed-up in agricultural technology that has occurred in recent years. Significant economies in per-unit costs of production are possible not only in commercial farming but also in the assembling, processing, and selling industries handling farm products. In many cases, however, the new technology offers opportunity to cut costs only as size or scale of operations expands. Increasing the size or scale of operations not only has to do with the size of the farm, of the processing unit, or the retail market, but also leads into such fields as contract farming, agribusiness integration, and business mergers. In short, American agriculture and our whole food handling and marketing system is in the process of adjusting to a wholly new technology which places an increased premium on quality of product; size of operation; and, perhaps most important of all management skill.

One interesting factor in the farm situation is that per-acre farmland values continue to rise. I believe that one of the chief reasons for this over the last two or three years has to do with technical change and the individual farmer's desire to reduce costs by increasing the scale of operations—that is, an able farmer often finds himself with the machinery and management skills to handle an increased acreage or size of business as illustrated by the fact that about 40% of the farmland transfers last year were for purposes of farm enlargement.

Farm surpluses are likely to continue with us for some time. However, we recognize that this is a difficult continuing problem for which there is apparently no immediate single painless, costless, final solution. This is a sound frame of mind for considering what should be done. Perhaps I should also call attention to the fact that there is a tendency now to look not only at possible ways of controlling acreages or production, an approach that is not only difficult but sometimes has disastrous side effects, but also to look at possible ways and means of constructively using the surpluses themselves. Such uses certainly contribute far more to maintaining farm markets and increasing nonfarm income than would be the case were the commodities not produced.

Balanced Rates of Growth

Finally, I want to once again call attention to the fact that we do live in an expanding economy and that our farm problem is essentially one of balancing rates of growth—that is, of trying to see that the rates of increase in farm output are about in line with the rates of increase in demand. In addition to taking into account shortrun problems, we must also have policies which will assure adequate food for the American people as our population grows, recognizing that the rate of population growth may vary materially from time to time. I recognize that the introduction of these longer-run considerations further complicates the farm adjustment problem. But I assure you that our shorter-run problems are much more amenable to sensible management in an expanding economy, where the population and per capita standard of living are both increasing, than they would be were this not the case. Economic growth greatly facilitates the adjustment process: it means not only better markets for most products but also new employment opportunities for both capital and labor.

*An address by Mr. Wells before the 7th National Agricultural Credit Conference sponsored by American Bankers Association's Agricultural Commission, Omaha, Neb.

T. F. Bullen Jr. Now With Gruntal & Co.

Gruntal & Co., 25 Broad Street, New York City, members of the New York Stock Exchange, announced that Theodore F. Bullen is now associated with the firm as manager of the Investment Research Department. Mr. Bullen was formerly manager of the research department for Amott, Baker & Co. Incorporated and prior thereto he was with Goldman, Sachs & Co.

Named Director

Duncan Miller, of New York City, has been elected a Director of Electronic Communications, Inc., it was officially announced today. Mr. Miller is a Vice-President of the investment banking firm of Laird & Company, Corporation, of Wilmington, Del., and New York.

Wm. Chappell Aids Drive for Library

William B. Chappell will help The New York Public Library in its 1959 appeal for funds, it has been announced by Morris Hadley, Chairman of the drive.

W. B. Chappell

Mr. Chappell, who is Vice-President of First Boston Corporation, will enlist the aid of investment bankers and brokers in raising $500,000 for the Central Reference Library at Fifth Ave. and 42nd Street. He is one of a group of leaders of business and industry working to help the privately supported library balance its budget.

The goal of the current appeal represents the amount that must be added to the institution's income from endowment during the coming year if it is to meet operating expenses and maintain the high standard of service that has won it an international reputation.

Mr. Chappell pointed out that, while most New Yorkers are aware of the incalculable advantage of having access to this great research center, many do not know that it is a "public" institution only in the sense that it is freely open to the public; the sole support it receives from the city is for maintenance of the building.

The Library was created by public-spirited individuals more than a hundred years ago, and it has been continued and enabled to grow through the years by income from endowments and gifts. "It is hoped now, when rising costs are ever more rapidly gobbling up the Reference Library's available funds, that many more organizations and individuals who use and depend on its resources will come forward to help," said Mr. Chappell.

Wainwright & Ramsey Consultants on Huge Municipal Bond Issue

Wainwright & Ramsey Inc., 70 Pine Street, New York, consultants on municipal finance, have been retained as consultants to the Public Utility District #2 of Grant County, Washington, relative to the $200,000,000 financing for the construction and operation of the Wanapum Dam (Wanapum Development of the Priest Rapids Hydro-Electric Project on the Columbia River in Washington), it was announced by Wm. Schempp, President of the District's Board of Commissioners.

Construction bids for the Wanapum Dam, sister to and 18 miles upstream from the Priest Rapids Dam, will be let early in the summer and financing through a revenue bond issue will follow late in the summer or early in the fall this year.

The Board of Commissioners of PUD #2 Grant County, Washington, is comprised of Mr. Schempp, President; Paul Neihart, Secretary, and Geo. Schuster, Commissioner.

With Lee Higginson

Lee Higginson Corporation, 20 Broad Street, New York City, members of the New York Stock Exchange, have announced that Barry E. Thors has become associated with the firm as a registered representative in the New York office.

Substantiating Upturn Evidence Reported by Purchasing Experts

Purchasing executives latest report states there is a reasonable basis for expecting a moderate recovery from the recession. Most agents polled continue to contain or to reduce their stocks and believe that automation will definitely hold down labor costs.

The January reports of the executives of the National Association of Purchasing Agents substantiate the opinions expressed last month that there is a reasonable basis for expecting a moderate recovery from the uncomfortable recession of a year ago. Again this month, however, the consensus does not reflect any emphatic optimism in most industries. More new orders are being received by 46% of the purchasing agents who comprise the N. A. P. A. Business Survey Committee, whose Chairman is Chester F. Ogden, Vice-President, The Detroit Edison Company, Detroit, Mich., compared with 32% in December, while 39% are in an unchanged position. There is a reduction to 15% from the 21% who listed fewer new orders a month ago.

The better new-order status ties in with the production figures for the month, with 42% of the committee reporting on the up side against 35% in December. The number of those indicating less production is reduced to 13%, from 19% last month.

Commodity prices are under no great pressures, either way, with most items available in completely adequate supply. In view of plentiful goods, 76% of the committee members continue either to contain or to reduce their stocks.

The double-barrelled special question for the month was directed toward a measurement of average employment for 1959; together with what roles automation and other labor-saving devices might play toward holding labor costs down. Of those members responding, 47% think that employment will rise, 44% say no change, with 9% assuming less employment. There are 63% who believe automation will assist materially in holding down labor costs. In this area, many committee members warn, "Investigate carefully to be sure the end results will justify the costs."

Commodity Prices

In the pricing category, there seem to be no extreme pressures, either upward or downward. The survey reports this month reflect continued uncertainty and concern over the inflationary potential rather than over the imposition of any strong or general advances in the current levels. Just 28% point to increases, against 27% a month ago. There are 64% who show prices unchanged, and 8% are purchasing some items at lower prices than last month.

Inventories

"Purchased goods inventories," one of the more important of the "lagging" business change indicators, is outdoing itself in running true to form. Our survey reporters, again this month, indicate a considerable reluctance to add to their inventories. While the majority of businessmen acknowledge a reversal from the recessionary trend, only 24% of our committee members show a willingness to increase their inventories. There are 27% who report that they are still reducing stocks on hand.

Employment

Although our members report improvement in general business conditions, particularly in the steel and automotive areas, their statistics indicate no overall betterment in the employment picture. While 22% indicate a gain in their working force, identical with December, there are 14% of our reporters who show a decrease, compared with 11% showing a decrease last month. While most steel products and passenger car outputs are reported optimistically, these are counterbalanced by the seasonally poor performance in the road building and heavy construction industries.

Buying Policy

The percentages of change are so small from month to month that only by plotting the figures for the last 8 months is the very gradual lengthening of lead time in production materials and capital expenditures apparent. There has been no change in MRO supplies during this 8-month period.

	Per Cent Reporting: Hand to Mouth	30 Days	60 Days	90 Days	6 Mos. to 1 Yr.
January					
Production Materials	8	32	35	20	5
MRO Supplies	22	49	25	2	2
Capital Expenditures	10	8	16	25	41
December					
Production Materials	11	31	33	19	6
MRO Supplies	26	46	21	5	2
Capital Expenditure	11	6	13	23	47

Specific Commodity Changes

While prices generally are quite stable, there are a number of spotty price changes, both up and down. Some early inventorying of special steel alloys and sheets in anticipation of a steel strike this Summer is causing minor shortages of these items.

On the **up** side are: Copper, stainless steel bars, scrap, tin, zinc, rope, lumber, plywood, coal, oil, bearings and grinding wheels.

On the **down** side are: Lead, aluminum, vegetable oils, phthalic anhydride, naphthalene and phthalate esters.

In **short** supply are: Some steel alloys and sheets, helium and glass (temporarily, due to strike).

Public Inv. Co. Formed

KEW GARDENS, N. Y.—Public Investors Company has been formed with offices at 123-35 82nd Road to engage in a securities business. Partners are Bernard J. Breslaw and Bertha G. Breslaw. Both were formerly with Investors Planning Corporation and Sire Plan Portfolios.

Form S. Schramm Co.

S. Schramm & Co., Inc. has been formed with offices at 143 West 29th Street, New York City, to engage in a securities business. Officers are Sidney M. Schramm, President; Leonard R. Schramm, Secretary and Treasurer; and Sarah Schramm, Vice-President.

The Canadian Economic Outlook

By RT. HON. JOHN G. DIEFENBAKER
Prime Minister of Canada

Canada's Prime Minister summarizes "unmistakable signs" of renewal of economic growth in his country and expresses confidence that even industrial exports will pick up.

Like other countries of the free world, Canada has been definitely affected by the international recession which has depressed most world trading since late 1957. We have therefore been pleased in recent months to note the unmistakable signs of renewal of economic growth.


John G. Diefenbaker

Most spectacular has been the sharp increase in housebuilding, with starts substantially above the level in any preceding year. Consumer spending remained strong and in December, a broadening general improvement in industry was discernible. Inventory liquidation appeared to have ended, and more and more the full effect of continued market demand was calling forth new production.

Complete recovery has not yet been achieved but Canadians have good reason to look for better conditions in 1959 in keeping with improving conditions internally and general international recovery.

One important sector of our economy that remains to be revitalized is that producing industrial materials for export. However, as the economy of the free world quickens, sparked by the revival of the United States, this sector too is starting to respond to increased external demand.

New Tax Form for NASD Members

A new tax form has been prepared by the National Association of Securities Dealers, Inc. to be used by members in connection with the stock and bond transfer tax provisions of the Internal Revenue Code. Reference to the New York State tax law should be deleted by members outside the State; they may use instead the appropriate state transfer tax laws.

Toronto Bond Traders Annual Dinner

TORONTO, Canada — The Toronto Bond Traders will hold their annual dinner April 10 at the King Edward Hotel. John Lascelles, Dominion Securities Corpn. Ltd., is in charge of dinner arrangements.

Los Angeles Bond Club Elects Wm. S. Hughes

LOS ANGELES, Cal.—William S. Hughes, of Wagenseller & Durst, Inc., was elected Vice-President of the Bond Club of Los Angeles, Club President, Mark Davids, of Lester, Ryons and Company, announced following the organization meeting of Club directors. The Bond Club is an organization whose members are engaged in the investment securities business. Mr. Hughes has been active in the investment business in Southern California for the past 30 years. He served as Governor and National Vice-President of the Investment Bankers Association of America, and is also a former Chairman of District No. 2 of the National Association of Securities Dealers, embracing California, Nevada and Hawaii.


William S. Hughes

Form Harbor Securities

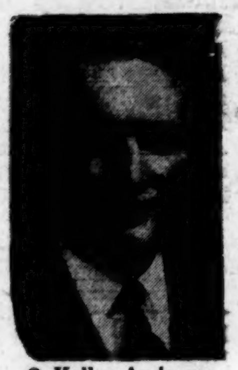
BAY HARBOR ISLANDS, Fla. —Harbor Securities Corporation has been formed with offices at 10043 East Broadview Drive to engage in a securities business. Officers are Lawrence Solverman, President, and Shari Silverman, Secretary-Treasurer.

Social Responsibility Acceptance Is a Corporate Must Today

By O. KELLEY ANDERSON*
Chairman, Institute of Life Insurance
President, New England Mutual Life Insurance Company, Boston, Mass.

Corporate acceptance of "social responsibility" is said to be an important corollary to profit making and the meeting of competition. In stating that this is one of the greatest business changes in the past twenty years, the insurance head opines that the firm "which ignores this will not prosper for long and may not survive." Proud of another change, Mr. Anderson recounts the growth of the life insurance industry and its paralleled stewardship growth. Explains how such social-economic changes as women's new economic status, increased labor force and labor income, spread of fringe benefits and home ownership, has aided and been aided by insurance industry

In the life insurance business we're accustomed to dealing with long-range statistics, for, as we all know, some of the decisions our actuaries and underwriters make today may not be reflected in our company's operating results until our grandchildren come of age.



O. Kelley Anderson

Conversely, some of the factors which affect our business at present had their genesis back in the days of our grandparents. . . . Although we are now beginning to take for granted the Institute's objectives and operations, I'm sure that many of these objectives would have been considered too radical for enactment prior to 1939. The same can be said about American business as a whole, for since that time, public relations has become a new supplement to traditional operating concepts.

Firm's Social Responsibility Objective

It is now generally acknowledged in almost all areas of our economy that a company's social responsibility is an important corollary to profit making and meeting competition. The business firm or institution which ignores this will not prosper for long and may not survive.

The transition to corporate acceptance of social responsibility represents one of the greatest of the many changes that have occurred in business over the past 20 years. It has special significance for our business, for it is closely related to the Institute's program.

One of the reasons life insurance has achieved wide recognition and high standing in American industry today can be attributed to its activities in the field of public interest, activities which have been helped materially over the past 20 years by the Institute of Life Insurance. This organization has conducted an outstanding public relations program since its inception and I'm confident we can look forward to its achieving greater success, public service and goodwill in the years ahead.

A look into the future is appropriate at any twentieth anniversary occasion. But in order to forecast with any degree of accuracy, a glance back is also in order. Let's look then at the social and political aspects of the economy as well as at our business itself. In retrospect, several facts stand out clearly:

(1) This has been a period of unprecedented change affecting virtually every area of our lives—personal, business, social, economic and political.

(2) Economically, the family unit has become less self-sufficient and has tended to depend more and more on its job. At the same time, a closer relationship has developed among individuals and groups in their social and economic affairs.

(3) Provided we exercise good judgment, public relations can increase our goodwill, service, effectiveness and our ability to meet the dislocations which change usually brings.

These facts have had an important effect on every individual in every business and every institution in our country. To evaluate them correctly we should start by studying more closely the specific events that brought them into being.

In 1939 America was walking into the shadow of history's greatest war; the preparedness effort was about to turn a manpower surplus into a shortage; the birth rate was low; the income level was also relatively low; deflation was one of our major economic problems; the great depression was barely behind us; business was operating under a cloud of public misunderstanding, ill-will and government scrutiny; women were home bodies except when necessity dictated they should become a second breadwinner; atomic power was still a formula on paper; except in New York restaurants, automation had not begun; as a nation we were inclined to be isolationists.

And now where do we stand on the threshold of 1959?

Fear of another war more terrible than any ever known keeps a divided world on nervous guard; in spite of heavy defense spending at home for the first time in many years we may face a manpower surplus; the birth rate is high as is the income level; we have enjoyed the biggest business boom in history; inflation is one of our major economic concerns; although under close government scrutiny, business is generally in good repute; career women form an important segment of our economy; and with the advent of television, automation, atomic power and moon rockets, our thinking and planning is gradually becoming more global in nature than isolationist.

Lists Significant Changes

In most respects, however, these conditions are material changes from those of two decades earlier and reflect the vastly different social and economic atmosphere of the business world. Hidden in each of these observations are further, more significant facts which account in part for this upheaval.

For example, we see that:

Women have achieved full stature in business as well as at home.

Twenty million new jobs have been created, half of them for women.

Disposable personal income per family has tripled.

American families have become migratory with more than 30,000,000 persons moving each year.

Farm population has declined one-third.

The population of America's suburbs and "interurbia" has nearly doubled.

Unlike 20 years ago, the bulk of all urban worker families have fringe benefit programs, while the number of these persons covered by pension plans has grown from less than a fourth to nearly half the total.

More than six years have been added to life expectancy at birth.

The share of the total population which has reached age 65 has risen 30% while the number of senior citizens has increased 75%.

The percentage of adult high school graduates has jumped 60%.

Families owning their own homes have increased by 50%.

Although this is a brief list, it does illustrate that in 20 years we have telescoped history, for our grandfathers or fathers would have expected to live a full lifetime to see most of these things accomplished.

This list, incomplete as it is, also illustrates how life insurance ties into social and economic changes. From each of these items, we can see a direct relationship to some of the basic trends in our own business.

Life Insurance's Growth

In these 20 years, life insurance assets have increase nearly fourfold; aggregate ownership of life insurance in the U. S. nearly fivefold; and annual purchases of new life insurance six-fold. During this period the rise in assets was three times the total built up in the entire previous history of our business. These are facts of which you are all aware, but they deserve to be restated at this time.

Much of this tremendous growth stems from the social-economic changes we mentioned or contributions to them.

Take the greatly enhanced economic status of women, for example: This has resulted in a startling increase in ownership of life insurance by women from a relatively small figure to the present total of more than $65 billion, also the creation of the family income plan and the family plan policies and more recently the widening interest in premium rates which give recognition to the relatively longer life span of women.

Then consider the effect of the increased work force and enlarged income which has more than tripled the average amount of life insurance owned per family and more than tripled the average size of the ordinary policy bought.

Fringe benefit growth, developed almost entirely since World War II, now accounts for a large portion of insurance in force through group life insurance, pension plans, salary savings plans and, of course, group health insurance plans.

Group life insurance has increased 12-fold in the past 20 years, while individuals covered by insured pension plans have increased seven-fold.

The large number of persons who now own their own homes has affected life insurance agency and investment departments. Mortgage insurance to assure the family clear title to their home in event of death of the owner accounts for a sizable volume of protection. Life company investments in home mortgages have grown from less than $6 billion in 1939 to more than $37 billion.

Here we can see the two-way street on which these social and economic trends meet. Life insurance has benefited in new business and investment opportunities from these developments, while home buyers and the whole construction industry have benefited from the important contribution made by life insurance.

As a matter of fact, if we turned to the investment side of the business, we would see a long list of similar situations. As the life industry has grown to be one of the important sources of institutional capital funds, it has become an important source of financing for many of our new developments creating turnpikes, shopping centers, industrial parks, gas pipelines, giant dams, and new jet aircraft to mention only a few. Equally important, today's life insurance assets reflect the capital funds back of several million jobs which result from this industrial and civic expansion.

Singles Out Settlement Contract

The insurance contract itself reflects in part our awareness of our new social responsibilities. Settlement options, for example, now apply to a large percentage of insurance in force. Admittedly they have a certain competitive sales value, but beyond that they represent one of our important public services, since they play a vital role in financial plans for millions of families. And yet, considered purely as a sales medium, we might have chosen to abandon them long ago.

Nevertheless, these illustrations show perhaps how far we have moved up this road of social responsibility and how widespread has been our acceptance of it.

Thanks to the efforts of the Institute over the past 20 years, from top management down through the rank and file of the business and out into the field I think all of us are seeking at all times to know what the public wants from life insurance and what it thinks about life insurance.

With this growing awareness has come a sobering recognition of the responsibility and challenge brought by the new and greatly enhanced stature of our industry. The stewardship of the pooled funds of millions of families is in our hands. For large numbers of these families the life insurance protection we provide is the only link to future financial security. This responsibility does not diminish with time but increases every year and will continue to be a challenge to our public relations consciousness. Just as we have tried to give growing and improved service to our client families year after year in the past, so also I'm sure we will recognize our responsibilities in this field in the future.

Good Business Citizenship

This growth of effort in the public interest, this development of a high level of good business citizenship has come about, I believe, because our public relations efforts have been channeled on a sound, broad philosophic approach and not a haphazard, opportunistic program. The best evidence of this belief is to review the printed proceedings of our past 19 annual meetings.

I would like to give a few facts that will describe the evolution of our public relations philosophy:

(1) The usefulness of the agent.

(2) The need for disseminating facts . . . presenting news, not publicity . . . absolute intellectual integrity . . . courage and truth.

(3) The fact that bigness is a fact of life in life insurance . . . that the business can best serve the public through competition . . . that there is no vestige of monopoly in the business.

(4) The fact that the life insurance public is many publics.

(5) The need for greater cooperation with an understanding by government as one of these publics.

(6) The introduction of advertising as an instrument of public relations.

(7) The need for the Institute providing leadership to the companies.

(8) The need for making public relations a function of top management.

(9) The need for good corporate citizenship.

(10) The fact that performance is the great fundamental base of all public relations.

This should be of vital importance in shaping our efforts for the 20 years ahead, both institutionally and individually.

*An address by Mr. Anderson made before the 20th Annual Meeting of the Institute of Life Insurance, New York City.

Thomas Phelan Named By Coast Exch. Division

Resignation of W. G. Paul as President of the Los Angeles Division of the Pacific Coast Stock Exchange, effective March 1, and

W. G. Paul

Thomas P. Phelan

the election of Thomas P. Phelan, as President, has been announced by William H. Jones, Division Board Chairman, following an organization meeting of the Governing Board. Other officers elected were McClarty Harbison, Harbison & Henderson, as Vice-Chairman; A. R. Gilbert and Harry Z. Johnston, Dean Witter & Co., Assistant Vice-Presidents; P. J. Shropshire, Mitchum, Jones & Templeton, Secretary; and D. Roger Hopkins, Hopkins, Harbach & Co., Treasurer.

Mr. Paul, who will continue to serve as Administrative Consultant of the Exchange, has been President since 1946, after having served as Executive Secretary since 1934. He became a member of the Los Angeles Exchange in April, 1925, and was a specialist from 1928 until 1946 when he assumed full time administrative duties of the Exchange.

Mr. Phelan, the newly elected President, has served as Vice-President since 1947, and was made Executive Vice-President in 1951. He started his career with the Exchange in March, 1929, following graduation from UCLA when he became a clerk in the statistical department of the Los Angeles Curb Exchange. Following the merger of the Curb and Stock Exchange, he was made Manager of the Clearing House and later was in charge of listing and statistics and was Assistant Secretary from 1936 to 1940 when he became Assistant to the Vice-President of Production of Vultee Aircraft, Inc.

Form Shipper & Finney

FLORENCE, Ala.—Shipper and Finney, Inc., has been formed with offices at 212 East Alabama Street to engage in a securities business. Stanley E. Shipper is a principal of the firm.

Form Systematic Inv. Co.

Systematic Investors Company has been formed with offices at 106 Fort Washington Avenue, New York City, to engage in a securities business. Siegbert Oppenheimer is a principal of the firm.

Union Secs. Inv. Co.

MEMPHIS, Tenn.—Union Securities Investment Company is conducting a securities business from offices at 1503 Union Avenue. A. D. McClellan is a principal of the firm.

Puerto Rican Bonds Awarded

The Commonwealth of Puerto Rico on Jan. 28 awarded $20,000,000 public improvement bonds, due 1960 through 1979, to a banking group headed by the Chase Manhattan Bank, J. P. Morgan & Co., and Ira Haupt & Co., and including Banco Credito y Ahorro Ponceno and Banco de Ponce.

Shown here, left to right: Roberto de Jesus Toro, Executive Vice-President of Banco de Ponce; Jose R. Noguera (seated), Secretary of the Treasury of Puerto Rico; Dr. Rafael Pico, President of the Government Development Bank for Puerto Rico; and E. A. Bird, Executive Vice-President of Banco Credito.

"Ike, the No. 1 Bond Salesman"—Rukeyser

President's efforts to calm down the "rock 'n rolls" enthusiasm for inflation commended by publicist. Warns against thoughtless appeasement of dictators.

The current tug of war between President Eisenhower, cast in the role of budget balancer, and the Congressional spenders will call for a re-definition of what constitutes "liberalism."

Merryle S. Rukeyser

This view was expressed by Merryle Stanley Rukeyser, economist and publicist, in a speech Jan. 30 before the Hi Hatters at the San Diego Club in San Diego, California.

"In trying to stop the erosion of the dollar through legalized larceny, sometimes called inflation, President Eisenhower may be repeating an historic service as significant as his invasion of Normandy. Ike is seeking a format for sustainable prosperity through a balanced budget and fiscal prudence. To the extent he succeeds, he will be savior of all fixed income groups, including pensioners, and those living on the proceeds of life insurance and on interest on bonds and mortgages.

A Sheer Illusion

"It is sheer illusion to regard the threat of oncoming inflation as a mere inconvenience against which you hedge by putting a larger ratio of your saved dollars into equities (stocks) instead of fixed dollar obligations (bonds, annuities and thrift accounts). I am second to none in my admiration of the shares of outstanding and well managed enterprises, but I know that the national economy will be disrupted unless there is a revival of demand for bonds. For the first time in nearly a decade, corporate bonds of the highest grade were recently yielding more than the average of 500 representative stocks.

"Without the ability to market bonds, the Federal Government, the states, the political subdivisions, including the local school districts, would indeed be in hot water. In trying to calm down the rock 'e rolls enthusiasm for inflation, Mr. Eisenhower has become the nation's number one bond salesman.

The Soviet Dilemma

Referring to the international stresses, Mr. Rukeyser, nationally syndicated financial columnist, author and business consultant, stated: "The Soviet Union's eager-beaver pressure for international conferences is motivated by a desire to escape from a basic dilemma. The inside story springs from the contradiction between the existing low civilian living standards in Russia and the new upsurge in science and technology. Up to now for 41 years the Bolshevik dictators have been deferring the promised millennium in Russia on the ground that it was necessary to concentrate first on tooling up and then on making munitions of war. The dictators are near the end of their rope on this type of argument, partly as a result of the new emphasis on education.

"The dictators find that they can't have it both ways. Dictatorship depends on having a docile population of stooges and boobs. The new emergence of educated and creative Russians is inconsistent with indefinite patience with substandard living conditions. The fancy schemes for military disengagement and disarmament are intended to correct a Russian budgetary situation unbalanced by undue use of the productivity of the Russian people in the channels of weapons of destruction.

"At best, the Bolsheviks can hope to gain time. Ultimately the new enthusiasm for education presages a domestic demand for democratic self government.

"The United States and the rest of the free world, in negotiations with the Soviet Union, should be aware of the hidden forces at work. Any thoughtless appeasement of dictators will tend to retard the constructive reform influences at work underground behind the Iron Curtain."

Bank and Insurance Stocks

By ARTHUR B. WALLACE

This Week — Insurance Stocks

RELIANCE INSURANCE COMPANY

At the time of its organization in 1812, this company was a mutual, and it became a stock corporation in 1820, making it one of our oldest insurance writers, as Fire Association, of Philadelphia. The Reliance Insurance Company had been one of the units in the Association fleet of companies. In 1950 Reliance and two other affiliates were merged with Fire Association, the parent company; and in early 1958 Association adopted the present title. It began business with a capital of $50,000, and it was not until 1917 that the $1,000,000 mark was attained.

However, growth since then has been more rapid, and at the most recent report, for 1957, it stood at $7,616,000. There have been not only mergers, but stock dividends and issues of rights. It is licensed to do business in all states and in Canada, and its agency plant numbers some 8,250 representatives. In 1850 it became a multiple-line writer when casualty lines were added to its other categories.

Considerable expansion in the casualty end of the business occurred when it acquired control of Eureka Casualty Company and, a little later, General Casualty Company, a Wisconsin company. Eureka was merged with the parent when the name was changed. Another unit, Hoosier Casualty, was acquired in 1958. The company's risks are well distributed geographically.

A break-down of its net premium volume for 1957 follows:

	%		%
Fire	27.7	Auto Bodily Injury	13.3
Extended Coverage	8.9	Auto Property Damage	6.2
Ocean Marine	4.6	Auto Physical	14.4
Inland Marine	5.6	Other	12.2
Workmen's Compensation	7.1		

Growth in premiums in the decade ended with 1957 was 131.5%. The average combined loss and expense ratio for the same period was 99.6%.

It is expected that there have been enough important rate increases to make themselves felt from now on.

A percentage break-down of assets as of the end of 1957 follows:

	%		%
Cash	3.7	Common Stocks	36.1
U. S. Gov't Obligations	24.1	Other Investments	2.8
Other Bonds	17.7	All Other Assets	9.5
Preferred Stocks	7.3	Market Adjustment	—1.2

Reliance's underwriting results in recent years have largely followed industry trends, while investment income has been steady. In the 10 years ended Dec. 31, 1957, profits or losses on security sales, together with the appreciation or depreciation of asset values held have netted Reliance $16,083,000, or at the rate of approximately $21.12 per share now outstanding.

Reliance's capital consists of 761,600 shares of $10 par value per share. The present dividend rate is $2.20 annually; and at its present approximate selling price of 55 on the American Stock Exchange, the yield is about 4.31%, a better than average return on an insurance stock. Pricewise, it has kept pace with the main body of fire-casualty stocks, on the theory that the industry has turned for the better after the serious losses in underwriting in the past three years.

Ten-Year Statistical Record — Per Share*

	Liq. Val.†	Adj. Und.	Invest. Income	Net After Taxes	Dividend	Price Range High	Price Range Low
1948	$62.34	$4.56	$3.08	$6.52	$1.85	45⅜	34
1949	79.97	9.00	3.34	8.87	1.85	58⅜	42½
1950	88.10	2.90	4.20	6.66	2.32	62	48⅞
1951	93.60	—0.39	4.28	3.56	2.32	56¼	47⅜
1952	102.14	2.19	4.35	5.86	2.41	67⅞	49½
1953	103.56	2.46	4.77	5.72	2.68	67	55¾
1954	71.22	—1.46	2.74	1.08	1.96	‡65	38⅞
1955	77.50	—0.12	2.97	2.79	2.19	59½	¶45⅝
1956	71.69	—2.37	2.82	0.36	2.14	56⅞	40¾
1957	64.55	—3.96	2.85	—0.90	2.20	45	30½

*Adjusted for 12% dividend paid in 1956, in stock, and for 20.77% in stock in 1950.

†On 240,000 shares in 1948; 340,00 shares 1949 thru 1953; on 680,000 shares in 1954 and 1955; on 761,600 in 1956 and 1957.

‡Old capitalization.

¶New capitalization.

Balance Sheet — December 31, 1957

ASSETS		LIABILITIES	
Real Estate	$2,454,642	Capital	$7,616,000
Mortgage Loans	17,909	Surplus	27,119,397
Bonds Owned	20,300,161	Conting. Res.	1,318,825
			$36,054,222
Stocks Owned	51,799,496		
Cash	2,839,260	Losses	13,278,817
Agents' Balances	4,320,917	Loss Adj. Expense	1,429,037
Int. Accrued	169,761	Unearned Prem.	29,885,140
Other Assets	2,162,310	Accts. Payable	100,706
		Taxes Accrued	792,706
		Conting. Com.	225,000
		Other Liabilities	2,298,828
	$84,064,456		$84,064,456

Reliance has one of the longest records among American insurance companies. Payments have been made uninterruptedly for 100 years. Since organization the total cash has been $39,218,000; stock $3,714,000.

Halsey, Stuart Group Offers Denver & Rio Grande Equip. Tr. Ctfs.

Halsey, Stuart & Co. Inc. and associates on Feb. 5 offered $2,190,000 of Denver & Rio Grande Western RR. 4% equipment trust certificates, maturing semi-annually Sept. 1, 1959 to March 1, 1974, inclusive.

The certificates are priced to yield from 3.50% to 4.25%, according to maturity.

Issuance and sale of the certificates are subject to authorization of the Interstate Commerce Commission.

The issue is to be secured by 109 flat cars; 115 box cars and 28 covered hopper cars, estimated to cost not less than $2,920,000.

Associates in the offering are: R. W. Pressprich & Co.; Freeman & Co.; McMaster Hutchinson & Co.; and Peters, Writer & Christensen, Inc.

O'Toole Press Officer Of Chase Manhattan

Edward T. O'Toole has been named Press Officer of The Chase Manhattan Bank, George Champion, President, has announced. He is in charge of the press section of the bank's public relations and advertising department.

Before joining the bank in 1951 he had been a staff writer for "Cosmopolitan" Magazine, reporter and feature writer for the "New Hampshire News," Manchester, N. H., correspondent for "Newsweek" Magazine, and news commentator on a New England radio network.

Robert W. Hotchkiss With Bardon Higgins

(Special to THE FINANCIAL CHRONICLE)

DULUTH, Minn.—Robert W. Hotchkiss has become associated with Bardon Higgins Company, Torrey Building. Mr. Hotchkiss was formerly Vice-President of the First and American National Bank with which he had been associated for many years.

Three With Daniel Reeves

(Special to THE FINANCIAL CHRONICLE)

BEVERLY HILLS, Calif.—Betty J. Barber, Theodore R. Litwiller and Leon Rochlin have been added to the staff of Daniel Reeves & Co., 398 South Beverly Drive, members of the New York and Pacific Coast Stock Exchanges.

Monetary and Fiscal Controls To Meet Our Economic Goals

By YA-LUN CHOU
Associate Professor of Economics, Pace College, New York City

An industrial as well as academic economist, Dr. Chou suggests a program to overcome inadequacies said to exist in our monetary and fiscal practices which stresses an innovation in our personal income tax system. To our existing general monetary policy, the economist would add a battery of policies comprising permanent easy credit and selective credit controls. Regarding fiscal policy, he lays great stress on his proposal of flexible personal income system utilizing a "range-rate" instead of a "single-rate" system of taxes and a "Personal Income Tax Board for Stabilization." Depicts investment as the basic cure for inflation, gives monetary policy the job of facilitating capital formation, and calls for cooperation of labor and management.

The American private enterprise system is capable of doing many wonders; but it also has a serious inherent weakness. That is, its progress is characterized by an erratic course of economic activity. Furthermore, it is generally agreed that periodic inflations and depressions cannot be avoided without government intervention in the economy. It is perhaps in recognition of this that political leaders of both parties have accepted the thesis that a condition of continuous high level of employment at stable prices is a Federal responsibility.

Dr. Ya-lun Chou

President, Truman, in the introduction to his first *Economic Report,* submitted under the terms of the Employment Act of 1946, announced that the "job at hand is to see to it that America is not ravaged by recurring depressions and long periods of unemployment, but that instead we build an economy so fruitful, so dynamic, so progressive that each citizen can count upon opportunity and security for himself and his family." From his various pronouncements since 1952, President Eisenhower seems to be in agreement with the purpose of using all "practical means" to promote economic stability. For instance, in 1954 he said: "I give you this assurance: every legitimate means available to the Federal Government that can be used to sustain prosperity will be used."

However, despite these repeated assurances of promoting economic stability through government action, the American economy has been far from being stable. Since WWII, the general price level has increased by more than 50% and there have been already three recessions, the last of which was just over and which lasted more than 10 months and had more than five million unemployed. This unsatisfactory record indicates that the instruments available for the implementation of stabilization policy have failed to be effective.

What are the stabilization measures? How do they work? Why have they not been effective? How can a more effective stabilization policy be devised. These are the questions which this paper attempts to answer.

Current Stabilization Measures

Stabilization measures available can be classified into two kinds; namely, automatic stabilizers and discretionary policy. Automatic stabilizers are those economic institutions which have already been built into the economic structure since the Great Depression, such as the progressive and pay-as-you-go personal income taxes, unemployment insurance, farm price supports and so forth. These built-in stabilizers automatically tend to check economic activity when inflation threatens and to stimulate it when depression starts.

Discretionary policy centers around monetary-fiscal measures. Monetary policy is the central responsibility of the Federal Reserve System and its implementation is mainly through the devices of reserve requirement provisions, rediscount rates, and open market operations. The Federal Reserve System can also regulate purchases of securities and consumers' durables with its power of selective credit controls. Fiscal policy is the deliberate manipulation of government spending, tax collections and public debt to compensate or influence the private sector of the economy. As such, its application is a joint effort of a great number of government agencies which include the Treasury, the Bureau of Budget, the Federal Housing Administration, the Federal Security Agency, the Federal Deposit Insurance Corporation, the Federal Loan Agency, and others.

The purpose of built-in stabilizers is that they go to work automatically without factfinding and fresh policy decisions. Their effect, however, are limited to slowing down the processes of inflation and depression. They cannot themselves set a recovery or bring inflation to a complete halt. While the net contribution of automatic stabilizers to the reduction of fluctuation-swings should not be minimized and many advocate they should be strengthened and improved to do a bigger job, nevertheless, the promise of a positive stabilization policy still lies in discretionary devices. For this reason, the central attention of this paper will be directed to the discussion of discretionary policy.

Ineffectivenes of the Present Monetary Policy

The upshot of the general monetary policy is to tighten credit under inflationary pressure and to ease it in face of a downturn of prices and/or employment. Credit restraint is achieved by raising the rediscount rate so that borrowing becomes more expensive and by increasing reserve requirements and sales of government securities in the open market so that the availability of credit is reduced. Opposite actions are taken if easy credit is the objective. There is no denying that the Federal Reserve can readily increase or decrease the costs of borrowing and make credit plentiful or scarce; whereas whether a tightening or an easing of credit can produce desired response is entirely a different question.

There is little disagreement that an easy-money policy can neither prevent a slide into a depression nor bring about an upturn if there exists no profitable investment opportunity and if people cannot or do not want to increase consumption from borrowing because of mass unemployment. The Federal Reserve can make credit more plentiful and less expensive; but it cannot make the banks grant loans or the public borrow money. An often used analogy in this connection is that "You can lead the horse to the river, but you cannot make it drink the water." The most recent illustration of this is that the Federal Reserve decreased rediscount rates twice and released more than a billion and a half dollars of excess reserve by reducing reserve requirements during the last downturn, but a great portion of this excess reserve was used to purchase government securities instead of making new loans by the commercial banks. Clearly, monetary policy is wholely a negative and completely ineffective force in preventing or revising a depression. The only contribution that can be expected from easy credit in rescuing a downswing is the provision of financial potentiality for expansion if some favorable factor comes along to induce investment or stimulate consumption.

Tight Money and Price Rise

Even the common claim that monetary policy can be more effective in checking inflation is very doubtful. Worse still, a tight-money policy, if not prudently administered, may actually set a downturn of employment and output while failing to stop further price increases. The direct effect expected from general credit restraint is the reduction in consumption and investment spending from borrowed funds. This effect, even could it be realized, would not necessarily be consistent with the twin goal of stability, high level of employment and stable prices. Since inflation is essentially a process of the flow of goods and service running behind the flow of monetary expenditures, the basic solution for it is to spend up the flow of outputs. In the long run, increase in outputs depends upon improvements in technology which raise productivity. In the short run, the only feasible way to increase outputs is to increase production of investment-goods at the expense of that of consumer-goods. If high level of employment is to be maintained and simultaneously prices are to be held in line, such a change in the composition of production can only be achieved by a reduction in consumption expenditures first. Only then can productive resources be transferred from the consumer-goods to the investment-goods industries without pushing up costs. A general tight-money policy, which attempts to restrain both investment and consumption outlays, is thus not an appropriate prescription to cure inflation.

In the last analysis, furthermore, general credit restraint is almost helpless in discouraging consumption and its power to cut investment expenditures is very much limited and this limited success may become an active factor itself in causing a downturn. The hope that a tight-money policy can reduce consumption lies in that it discourages installment purchase of durable goods and encourages individal savings. But can it do these? With high level of employment and rising money income, people are usually confident of their future and they may not be restrained from purchasing durable goods on credit just because interest charges have increased 1 to 2 or even 3%. As will be mentioned later, a more effective device to restrain consumption spending on the installment basis is not high interest rate but the requirement of larger downpayments and shorter duration of repayment. The latter is a measure of selective credit controls that can be administered by the Federal Reserve, and it does not come under its general credit policy.

Would Savings Increase?

As to the proposition that tight credit may induce individual savings because people may fear that credit may become less available for emergencies or because savings become more attractive with rising interest rates, this is in reality wishful thinking in view of present-day conditions. Poor people do not save at all in times good or bad. Savings of the well-to-do have gradually been institutionalized — in forms of life and non-life insurance, mortgages on houses, and regular purchases of mutual funds or government bonds—a temporary rise in interest rate can hardly have any decisive effects upon their long run plans for savings. As for the rich, savings often are more or less automatic with them; their saving-decisions may be quite independent of interest. It may be interesting to observe: while tight credit may not necessarily encourage people to save more during prosperity, people may actually attempt to save more because of fear for insecurity when unemployment threatens even if interest rates are low. Could the report of all-time high individual savings during 1958 be a proof of this point?

Investment Experience

To a limited extent a general credit restraint may succeed in reducing investment expenditures by dampennig optimistic expectations of profits, by decreasing capital values of existing capital assets and by increasing costs of producing new equipments. However, as it has been pointed out earlier, this is exactly the wrong thing to have for relieving inflationary pressures. If investment outlays are reduced while consumption remains high (for employment remains high), inflation would certainly be worse instead of better, since now the flow of goods will decrease. If the decline of investment is great enough to cause prices to fall, there will certainly be mass unemployment on hand as well.

Moreover, the impacts of a general tight-money policy on investment spending are far from being general across the economy. As Professor John Kenneth Galbraith reasoned in his statement submitted to the Anti-Trust and Monopoly Sub-Committee, both the effects of higher interest and lesser availability of credit are felt by that sector of the economy where prices are market-controlled, but not by the industries in which only a few firms exist and prices are administered. Big firms can continue to borrow for investment at higher interest because this increase in costs can be passed on into higher prices. Whereas, in the more competitive industries, the small firms have to accept market prices as they are, and, therefore, have to forego their investment plans when costs of borrowing become prohibitive. Also, small firms will be the first to be rationed out of the credit market when credit becomes less available because they are less "credit-worthy" compared with the big ones.

There is little wonder that monetary policy alone has never been able to arrest inflation during the whole postwar era. In addition, it may have been one of the factors occasioning business failures of small firms at times of general prosperity and high profits. There is also reason to believe that this is why quite a few recent economic studies have attributed tight-money before Oct. 1957 as one of the most important factors for the most recent recession.

Proper Role of Monetary Policy

The conclusions that general monetary policy, as it has been used up to now, may do more harm than good in combating economic fluctuations does not mean that there should be no place for it in an over-all stabilization policy. As a matter of fact, monetary measures can contribute much to promote price stability and facilitate economic growth, if properly designed and wisely used. First of all, it should be recognized that it should not be used as a weapon for stabilizing price level; instead it should be employed solely for the purpose of facilitating capital formation. To do so, the Federal Reserve must always maintain an easy-money policy—always make credit available and costs of borrowing low—so far as investment demand for loanable funds is concerned. Capital formation is not only the substance from which economic growth is created, it is also the basic solution for avoiding inflation if high level of employment is to be maintained. Such a policy will also enable small and financially weak, but potentially important firms, to develop. Tight credit as a source of business failures will be lessened. Efficient management and consumers' preference will be, as they should, the main factors for success of business firms, whether large or small.

In addition, the power for selective credit controls in the hands of the Federal Reserve can also make some positive contribution in promoting economic stability. In contrast to general monetary policy which has been previously discussed, selective credit controls regulate specific uses of borrowed funds. These controlling powers are defined by Regulations T, U, W and X. Under the first two regulations, the Board of Governors of the Federal Reserve System can set the marginal requirements. Regulation W was used in the past to control the extension of credit for the purchase of automobiles and appliances by changing minimum downpayments and maximum periods of repayment. Regulation W operated in the same fashion during the Korean War to limit the purchase of new residences on credit.

When inflation threatens, a rise in the marginal requirements—an increase in the percentage of the market value of securities which has to be financed by the buyer's own funds—would discourage the use of liquid assets for speculation and thereby make available more funds for investment in plants and equipments. A decrease in the marginal requirements in a slump encourages the extension of credit for stock speculation which, in turn, may have a favorable effect upon business expectations and investment plans. Changes in the size of downpayment and maximum period of repayment would tend to influence consumers' spending on durables appreciably even if credit is plentiful and cheap, inasmuch as a few hundred or thousand dollars more or less for downpayment and a rise or fall in tens of dollars for monthly payments weigh heavily on the minds of most buyers.

Undoubtedly, selective credit controls can be quite effective in achieving the desired results in the few specified areas. Or, at least, they would not have the adverse impacts upon investment and aggregate economic activity that general credit restrain might have. Hence, these controls should be considered as the standing powers of the Federal Reserve and be used resolutely and promptly as dictated by economic conditions even in peacetime.

Need for Other Measures

A permanent easy-money policy can facilitate economic expansion in a slump if other factors favor-

able for investment and/or consumption emerge and it can also help capital formation in a boom without raising costs if consumption expenditures can first be reduced. It cannot, however, set a recovery or curtail consumption itself.

The effectiveness of selective credit controls in changing consumption expenditures depends upon the actual conditions in the few specific areas. Reduction in downpayments and extension of repayment periods during depression may fail completely to induce more consumption spending if at that time demand for automobiles, appliances and housing temporarily reaches saturation. Again, as inflationary pressure mainly originates from excessive demand for consumers' durables, a hardening of terms for instalment purchase may succeed in bringing inflation to a halt. If, however, inflation is due to a strong effective demand for goods and services other than durables, a forced reduction in the purchase of the latter may be totally offset by an increase in spending in the former areas.

The passive nature of a permanent easy-money policy and limited capacity of selective credit controls indicate that monetary measures alone are inadequate and other positive devices are needed for the promotion of economic stability. Specifically, there is a need for other positive measures which can effectively increase or decrease consumption expenditures without relying upon decisions of individual consumers. Such measures, as shall be seen immediately below, fall into the scope of fiscal planning of the Federal Government.

Need for Fiscal Policy

Fiscal policy is the most positive and powerful means at the disposal of the Federal Government to influence economic activity. Its central core consists of such operations as changes in Federal taxes and variations of public expenditures. When markets are strong and inflation threatens, the Federal Government can reduce its direct purchases of goods and services and levy higher taxes to reduce private spending. When business slows down and unemployment grows, the Federal Government can spend more and leave more purchasing power in the hands of consumers by lowering its taxes.

Between these two principal instruments of fiscal policy—changes in expenditures and taxes, the latter is by far much more general and influential. The extent of varying public expenditures as a deliberate counter-cyclical device is limited to expenditures for public works alone, since, in the first place, the bulk of Federal spending is for defense and international security which are determined by world conditions and can hardly be tailored to suit stabilization needs. Secondly, many types of government "transfer payments," such as farm price supports and unemployment compensations, as have been mentioned before, are built-in stabilizers and no fresh policy decisions are required to make them work.

Again, while changes in nearly every type of Federal taxes can be expected to influence total spending, the most promising and effective lies in flexible personal income taxes. For instance, frequent changes in corporate income, sales and excise taxes may create uncertainty on business climate and thus hamper business planning. Flexible personal income taxes would not have this disadvantage. In addition, personal income taxes do not in any way interfere with the free choice of consumers. This freedom of the consumers to spend their income after taxes according to their preference will be the most important guide for sound investment planning under a permanent easy-money policy.

Now, what are the possibilities of public works expenditures and flexible personal income taxes in promoting economic stability? How can their full impacts be realized?

Public Works Expenditures

The effectiveness of public works spending lies in its stimulation of construction demand. It concentrates in those industries—steel, lumber and so forth—where "leverage" effect on the rest of the economy is high and thereby it is capable of generating a revival, especially when the strain of the depression is in heavy goods production. However, if construction is still active in a general depression, increase in public works spending, at the best, can only be expected to have its secondary effects on spending and employment. Even this limited result, furthermore, is only obtained at the expense of deepening the cost-price maladjustments in the heavy goods industries where, due to imperfect competition, prices rise rapidly during periods of inflation but stay high in slumps.

Besides, to use public works expenditures as an anti-cyclical device involves many difficulties. For instance, public work programs are slow to be started and impossible to be stopped before their completion. Consequently, flexibility of timing is often difficult to maintain. Also, public investments, aimed primarily at creating work for the unemployed, are often hastily designed and thus use economic resources wastefully.

In order to have the benefits of public works expenditures and to avoid the possible drawbacks, economists in and out of government have from time to time suggested their proper uses. Some of these suggestions, with which this writer is in full agreement, are listed below:

(1) In order to provide flexibility in timing and to avoid hasty and uneconomic make-work programs, a list of useful and worthy public works, such as schools, research laboratories, highways, housing, dams, bridges, navigation and irrigation projects and so on, should be prepared in accordance with long run needs and authorized to the "blueprint" stage of planning. Then actual construction can be started on short notices.

(2) Heavy public works should be used to stabilize the construction industry alone instead of using them to relieve general unemployment. This practice may avoid raising the costs of construction in a slump when construction activity still remains high. In addition, it may also add more precise timing in execution. Heavy construction projects are often made under contracts and a fall in private construction now would certainly mean a decline in construction expenditures a few months later. Thus the government can keep construction busy all the time by placing more or less of its own contracts when private contracts decrease or increase.

(3) Light public works, those which can be handled by relatively unskilled workers and can be started on relatively short notices, can undoubtedly be helpful in fighting general unemployment and should be so used.

From these suggestions, it is clear that although the net contribution of public work spending can reduce the swings of business activity, it is not so great as is often thought; it is still a useful instrument for limited purpose. It must then be included in a total stabilization policy.

Flexible Personal Income Taxes

Among all the means available to the federal government, personal income taxes are by far the most positive and powerful in promoting economic stability. It has been pointed out earlier that expansion of investment is the basic cure for inflation, but investment can only be increased without fresh rounds of inflation in the short run if consumption expenditures are first reduced. An increase in personal income tax will certainly cut down consumption because such an action reduces personal disposable income. While profitable investment opportunities are absent, a recovery is impossible even with cheap and abundant credit; a decrease in personal income taxes will certainly change the situation. This is so because a reduction in personal income taxes, by leaving more money in the hands of the public to spend, will inevitably increase consumption expenditures which, in turn, will induce investment spending as well.

While the effectiveness of flexible personal income taxes is generally recognized, they have seldom been used up to now either to halt inflation or to combat unemployment due to two serious difficulties in their application. First, under the present circumstances, tax legislation is necessarily a very slow procedure. It normally takes the Congress several months to consider tax legislations and tax rates, once determined, are set for a year or longer. Clearly, changes in tax rates through such a slow process can hardly be expected to be in step with the fast tempo of economic changes. Next, tax legislation is often greatly influenced by political considerations. Both the Congress and the Administration may find it politically possible and profitable to decrease taxes when mass unemployment prevails, but would hesitate to increase taxes when inflation threatens for fear of political unpopularity, especially during an election year. There is little wonder that most political leaders often take the course of inaction on taxes and hope that monetary measures will be sufficient to keep cost of living in line and to prevent unemployment from becoming intolerable. Alas, the postwar experience has verified that monetary measures have failed to realize this hope.

Offers Two Tax Suggestions

But to have the full benefits of flexible taxes, the aforementioned two difficulties must be overcome. Can this be done? Yes, if the following two proposals are adopted.

(1) Instead of the present "single-rate" system of income taxes—namely, there is only one rate for each bracket of taxable income; the Congress can pass legislation establishing a "range-rate" system—namely, assigning a range of tax rates for each taxable income bracket. Moreover, since changes in income taxes are mainly for the purpose of influencing consumption, tax-rate ranges for the lower income brackets should be wider than those for the upper income brackets; for, the propensity to consume of lower income groups is usually higher.

(2) The Congress may pass a special law to create a "Personal Income Tax Board for Stabilization" on a similar pattern as that of the Board of Governors of the Federal Reserve System. This board, once established, should be an independent agency and should have complete authority, delegated to it by the Congress, to change tax rates within the ranges determined by the Congress for the purpose of stabilization.

With the preceding two arrangements, not only tax rates could then be changed quickly but decisions for changes can also be made without embarrassing political leaders. However, to these proposals there may be raised two objections which must be answered in order to clear the way for their adoption.

First, some people may object that the delegation of authority for tax-changes may be dangerous to the basic powers of the Congress. This objection is actually unfounded if it is realized that the delegation of authority suggested here is limited. The Tax Board can only change the rates within the ranges determined by the Congress. The ultimate power of taxation still remains in the Congress; since, unless the Congress passes new legislation, the rate-ranges cannot be changed. It is also interesting to note in this connection that precedent can be found for this type of delegation of authority by the Congress. The power of the Federal Reserve Board of Governors over reserve requirement provisions is clearly identical in principle as well as in practice to what has been suggested here for taxes.

The second objection to flexible taxes for promoting economic stability is that such a practice may undermine the safeguards of budget balancing. Among all the arguments for the adherence to a balanced budget, the most persuasive is that it forces the government to plan its revenues and expenditures carefully so that wasteful outlays can be avoided. But the safeguards against wasteful expenditures can be kept without insisting upon an annually balanced budget which, as generally understood by professional economist and political leaders alike, is a very dangerous de-stabilizing force. Even though the use of flexible taxes means the abandonment of the standard of balancing the budget annually, which is inconsistent with the objective of economic stabilization, it does not mean the abandonment of the principles of budget balancing all together. Under the scheme of flexible taxes, budgets can still be balanced over a period of years — deficits incurred during a depression can be compensated by surpluses accumulated during prosperity. Another current argument against flexible taxes is the fear that, in view of huge expenditures for defense, the government already finds it difficult to close its budget deficit, a tax-cut will certainly produce a bigger deficit. This fear is not only exaggerated, but also unreal. In face of increasing unemployment and falling production, a tax-cut should immediately help to increase consumption expenditures which, in turn, will increase individual income, the base of individual income taxes. Thus the total tax revenue from personal income may be larger instead of smaller, with lower tax rates in such a situation. Besides, the present structure of American economy is inflationary rather than deflationary biased owing to regular wage-increase-clauses in labor contracts, absence of purely competitive markets in many industries and huge Federal spending. In view of these two considerations, the operation of flexible taxes in promoting economic stability will not necessarily enlarge the budget deficit. On the contrary, this policy may even make it easier for the Federal Government to balance its budget in the long run, especially if defense expenditures are to be continued at the present level.

Summary and Conclusions

It has been argued in this paper that in order to make monetary and fiscal measures tend toward a more effective stabilization policy, the following four recommendations must be adopted:

(1) The main function of general monetary policy should be concentrated on facilitating capital formation. To perform this function, a selective credit program should accompany an easy-money policy.

(2) All the selective credit controls must be considered as the standing powers of the Federal Reserve System not only for national emergencies but also for economic stabilization in peace-time.

(3) Public works must be planned in view of the nation's long run needs; they should be prepared and authorized to the "blueprint" stage. Furthermore, while light public work projects may be used for the purpose of relieving general unemployment, heavy public works should be used to stabilize the construction industry alone.

(4) To enjoy the benefits of flexible personal taxes, the present "single-rate" system must be adjusted to a "range-rate" system and the authority of temporary tax changes must be delegated by the Congress to an independent "Tax Board for Economic Stabilization."

In conclusion, it may be pointed out that economic stabilization is a big and difficult problem. Monetary-fiscal measures suggested here constitute the basic core of an effective stabilization policy; if used resolutely and wisely, they can go a long way to reduce economic fluctuations toward the vanishing point. But to eliminate periodic inflations and depressions completely, these measures have to be supplemented by other actions, public as well as private. For instance, the policies of Federal Housing Administration, the Federal Loan Agency and policies of state and city governments in providing a minimum decent standard of living for the poor and on land-use controls must also be designed with economic stabilization in view or at least not to cause conflict with the actions of monetary and fiscal authorities. Again, in the private sector, both business and labor leaders can contribute much to economic stabilization if they always keep social interests in their minds when seeking their own. If unions can formulate their wage policies consistently with labor productivity, inflationary pressure will certainly tend to subside. If management, especially in those industries where prices are administered, can adopt more flexible price policies instead of reduction in employment and output as soon as effective demand weakens, the threats of unemployment and sliding business activity can certainly be relieved appreciably. With close cooperation from management and labor, as it can be seen, the burden upon monetary-fiscal measures can be lightened and their effectiveness strengthened in promoting high level of employment and stable prices. The success of stabilization policy, as that of any other public policy in a free society, depends upon the understanding and cooperation of civilian leaders just as much as upon the determination and wisdom of the government.

Northern Pacific Ry. Equipments Offered

Halsey, Stuart & Co. Inc. and associates yesterday (Feb. 11) offered an issue of $4,740,000 Northern Pacific Ry. 4⅜% equipment trust certificates, maturing annually March 12, 1960 to 1974, inclusive.

The certificates are scaled to yield from 3.85% to 4.35%, according to maturity.

Issuance and sale of the certificates are subject to authorization of the Interstate Commerce Commission.

The issue is to be secured by 150 refrigerator cars and 400 box cars, to cost not less than $5,-940,000.

Associates in the offering are R. W. Pressprich & Co.; Freeman & Co.; Ira Haupt & Co.; McMaster Hutchinson & Co.; Wm. E. Pollock & Co., Inc.; and Shearson, Hammill & Co.

NEWS ABOUT BANKS AND BANKERS

CONSOLIDATIONS
NEW BRANCHES
NEW OFFICERS, ETC.
REVISED
CAPITALIZATIONS

Special meetings of stockholders of **Guaranty Trust Company of New York** and **J. P. Morgan & Co. Incorporated**, to vote on merger of the two institutions, have been called for March 4, it was announced by both Banks. The Boards of Directors of the Banks, at regular meetings last week, approved a detailed plan of merger which is being mailed to stockholders with notice of the special meetings.

Approval by holders of two-thirds of the shares of each bank is required. Morgan stockholders of record at the close of business Feb. 4 and Guaranty stockholders of record at the close of business Feb. 11 will be entitled to vote on the proposal. Guaranty Trust, with 6,000,000 shares outstanding, had as of recent date 36,228 stockholders. J. P. Morgan & Co., with 350,000 shares outstanding, had 2,088 holders.

The Morgan Guaranty Board of Directors will have 24 members, according to the statements mailed by both Banks, including 12 from the present Morgan board and 12 from that of Guaranty.

The Banks' statements to stockholders point out that Morgan Guaranty will maintain as important banking offices the principal office of Guaranty at 140 Broadway and the office of Morgan at 23 Wall Street and will continue to operate the three present midtown Manhattan branches of Guaranty as well as its branches in London and Brussels. In Paris, where Morgan presently has a subsidiary (**Morgan & Cie. Incorporated**) and Guaranty a branch, the merged Bank expects to operate, it is stated, "either through the subsidiary or through a branch."

* * *

John W. McGovern was elected to the board of **Irving Trust Co., New York.**

* * *

George C. Bennett, Assistant Vice-President in **Bankers Trust Company's, New York**, Auditing Department died Feb. 3. He was 55 years old.

Mr. Bennett started his career with Bankers Trust Co. in 1926, and has spent his entire career in Bank insurance work. He was named to head the insurance group of the Banks' Auditing Department in 1935 and named an officer of the Bank in 1943. He was elected an Assistant Vice-President of the Bank in 1957.

* * *

Chemical Corn Exchange Bank, New York, has elected Cyrus N. Johns to its Rockefeller Center Office Advisory Board, it was announced by Harold H. Helm, Chairman.

* * *

Henry H. Hoyt was elected Feb. 11 to serve on the board of directors of **Empire Trust Company, New York**, it was announced by Henry C. Brunie, President.

* * *

Gary Stolzberg, Irving Herbst and Herbert D. Backer have been elected Vice-Presidents of **Commercial Bank of North America, New York.**

* * *

National Bank of Westchester, White Plains, New York increased its common capital stock from $3,578,750 to $3,721,900 by a stock dividend, effective Jan. 27. (Number of shares outstanding: 744,380 shares, par value $5.)

* * *

By a stock dividend, the **First National Bank in Highland Falls, New York** increased its common capital stock from $200,000 to $400,000, effective Jan. 26. (Number of shares outstanding: 53,333⅓ shares, par value $7.50.)

* * *

The Watertown National Bank, Watertown, New York, with common stock of $650,000; and **The Black River National Bank of Lowville, Lowville, New York**, with common stock of $100,000, merged, effective as of the close of business Jan. 23. The consolidation was effected under the charter and title of The Watertown National Bank.

* * *

The common capital stock of **The Farmers and Mechanics National Bank of Woodbury, New Jersey** was increased from $200,000 to $400,000 by a stock dividend, effective Jan. 30. (Number of shares outstanding: 20,000 shares, par value $20.)

* * *

By a stock dividend, the common capital stock of **Asbury Park National Bank and Trust Company, Asbury Park, N. J.** was increased from $550,000 to $750,000, effective Jan. 28. (Number of shares outstanding: 75,000 shares, par value $10.)

* * *

The appointment of John A. Mayer as President of **Mellon National Bank and Trust Company, Pittsburgh, Pa.**, was announced on Feb. 10 by Richard K. Mellon, Chairman of the Board. Mr. Mayer succeeds Mr. Lawrence N. Murray who is retiring as President, but continuing as a Director. Mr. Frank R. Denton will continue as Vice-Chairman of the Board and Chief Executive Officer of the bank.

Mr. Mayer joined the bank as Vice-President in 1951. In 1957 he was appointed Executive Vice-President.

Mr. Murray joined the bank as Assistant Cashier in 1925, was appointed a Vice-President in 1929, and first Vice-President in 1942. He was appointed President in 1946 at the time of the merger of Mellon National Bank with **The Union Trust Company.**

* * *

Fidelity Bank & Trust Company, Pittsburgh, Pa. announced the opening of its Augusta Branch on Feb. 13.

* * *

John A. Byerly, President of **Fidelity Trust Co., Pittsburgh, Pa.** has announced the election of Mrs. Edith M. Martin as a Vice-President of Fidelity Trust Co. in the Estate Planning Division of the Bank's Trust Department. Mrs. Martin is the first woman ever elected a Vice-President in the history of Pittsburgh banking. She is also the only woman trust officer serving in any of Pittsburgh's Banks.

Mrs. Martin served for several years as Assistant to the Vice-President in charge of trusts and later as a trust officer at **The Colonial Trust Co. of Pittsburgh, Pa.** prior to that company's merger with Fidelity. Following the merger, Mrs. Martin was named a trust officer at Fidelity and was later elected Assistant Vice-President.

* * *

Merger certificate was issued approving and making effective, as of the close of business Jan. 27, the merger of **The First National Bank of Wrightsville, Wrightsville, Pa.**, with common stock of $150,000, into **The York National Bank and Trust Co., York, Pa.** with common stock of $1,335,000. The merger was effected under the charter and title of The York National Bank and Trust Co.

* * *

By a stock dividend, the common capital stock of **The Flat Top National Bank of Bluefield, West Virginia** was increased from $250,000 to $500,000, effective Jan. 29. (Number of shares outstanding: 50,000, par value $10.)

* * *

The First National Bank of Newark, Ohio increased its common capital stock from $300,000 to $500,000 by a stock dividend, effective Jan. 27. (Number of shares outstanding: 5,000 shares, par value $100.)

* * *

The common capital stock of **Mercantile National Bank of Hammond, Indiana** was increased from $500,000 to $750,000 by a stock dividend, effective Jan. 27. (Number of shares outstanding: 30,000 shares, par value $25.)

* * *

Merchants National Bank in Chicago, Ill. increased its common capital stock from $1,000,000 to $1,250,000 by a stock dividend, effective Jan. 26. (Number of shares outstanding: 62,500 shares, par value $20.)

* * *

By a stock dividend the common capital stock of **The First National Bank of Lake Forest, Ill.** was increased from $300,000 to $600,000, effective Jan. 30. (Number of shares outstanding: 12,000 shares, par value $50.)

* * *

First National Bank of Skokie, Ill. increased its common capital stock from $350,000 to $700,000 by a stock dividend, effective Jan. 27. (Number of shares outstanding: 70,000 shares, par value $10.)

* * *

By a stock dividend, the common capital stock of **National Bank of Detroit, Mich.** was increased from $36,217,500 to $40,000,000, effective close of business Jan. 30. (Number of shares outstanding: 3,200,000 shares, par value $12.50.)

* * *

By a stock dividend, the common capital stock of **Hackley Union National Bank and Trust Co. of Muskegon, Mich.** was increased from $850,000 to $1,020,000, effective Jan. 28. (Number of shares outstanding: 102,000 shares, par value $10.)

* * *

First National Bank of Waukesha, Wis. increased its common capital stock from $1,000,000 to $1,375,000 by a stock dividend, effective Jan. 27. (Number of shares outstanding: 108,000 shares, par value $5.)

* * *

By a stock dividend, the common capital stock of **The Old National Bank of Beaver Dam, Wis.** was increased from $100,000 to $200,000, effective Jan. 26. (Number of shares outstanding: 4,000 shares, par value $50.)

* * *

The First National Bank of Neenah, Wis. increased its common capital stock from $50,000 to $100,000 by a stock dividend, effective Jan. 27. (Number of shares outstanding: 4,000 shares, par value $25.)

* * *

The Central National Bank of Junction City, Junction City, Kansas increased its common capital stock from $100,000 to $200,000 by a stock dividend, effective Jan. 26. (Number of shares outstanding: 8,000 shares, par value $20.)

* * *

By a stock dividend, the common capital stock of **The Peoples National Bank of Liberal, Kansas** was increased from $100,000 to $200,000, effective Jan. 26. (Number of shares outstanding: 2,000 shares, par value $100.)

* * *

Commerce Trust Co., Kansas City, Mo. announces the election of Eugene B. Foncannon as Assistant Vice-President. Mr. Foncannon joins the Bank as a cattle loan officer and will work closely with the Correspondent Bank Division.

* * *

By a stock dividend, the common capital stock of the **First National Bank of Pompano Beach, Fla.** was increased from $500,000 to $600,000, effective Jan. 28. (Number of shares outstanding: 60,000 shares, par value $10.)

* * *

The common capital stock of **The First National Bank of Mount Dora, Fla.** was increased from $100,000 to $200,000 by a stock dividend, effective Jan. 27. (Number of shares outstanding: 2,000 shares, par value $100.)

* * *

The First National Bank in Gadsden, Ala. increased its common capital stock from $400,000 to $500,000 by a stock dividend, effective Jan. 30. (Number of shares outstanding: 50,000 shares, par value $10.)

* * *

The Houston National Bank, Houston, Texas increased its common capital stock from $1,575,000 to $1,675,000 by a stock dividend, effective Jan. 28. (Number of shares outstanding: 167,500 shares, par value $10.)

* * *

El Paso National Bank, El Paso, Texas increased its common capital stock from $4,000,000 to $4,250,000 by a stock dividend, and from $4,250,000 to $4,500,000 by the sale of new stock, effective Jan. 26. (Number of shares outstanding: 225,000 shares, par value $20.)

* * *

By a stock dividend, the common capital stock of **The Colorado National Bank of Denver, Colo.** was increased from $3,750,000 to $4,250,000, effective Jan. 28. (Number of shares outstanding: 170,000 shares, par value $25.)

* * *

By a stock dividend, **The Greeley National Bank, Greeley, Colo.** increased its common capital stock from $500,000 to $600,000, effective Jan. 28. (Number of shares outstanding: 60,000 shares, par value $10.)

* * *

Effective Feb. 2, **Citizens National Trust & Savings Bank of Los Angeles, Calif.** will shorten its name to **Citizens National Bank.** The shareholders of the Bank recently voted in favor of the change, and final approval was given by the Comptroller of the Currency.

* * *

Merger certificates was issued approving and making effective, as of the close of business Jan. 30, the merger of **First National Bank in McFarland, McFarland, Calif.**, with common stock of $100,000, and **Tulare County National Bank of Visalia, Visalia, Calif.**, with common stock of $150,000, into **Security-First National Bank, Los Angeles, Calif.**, with common stock of $73,500,000. The merger was effected under the charter of Security-First National Bank and under the title **Security First National Bank.**

* * *

The Compton National Bank, Compton, Calif. increased its common capital stock from $225,000 to $450,000 by a stock dividend, effective Jan. 26. (Number of shares outstanding: 4,500 shares, par value $100.)

* * *

The common capital stock of **The National Bank of Commerce of Seattle, Wash.** was increased from $8,000,000 to $9,000,000 by a stock dividend, effective Jan. 28. (Number of shares outstanding: 100,000 shares, par value $90.)

* * *

The Bellingham National Bank, Bellingham, Wash. increased its common capital stock from $400,000 to $600,000 by a stock dividend, effective Jan. 27. (Number of shares outstanding: 60,000 shares, par value $10.)

* * *

Walla Walla National Bank, Walla Walla, Wash. received permission from the Office of the Comptroller of the Currency to open a new Bank. Herbert H. Freise is President, and Don E. Chamberlin is cashier. The Bank has a capital of $200,000 and a surplus of $150,000.

* * *

Jack Pembroke, C. B. E., President of the Royal Trust Company,

Jack Pembroke

Montreal, Canada, has been appointed a Director of the **Bank of Montreal, Montreal, Canada**, Gordon R. Ball, President, announced, Feb. 10.

* * *

More than 99.4% of the shareholders of the **Toronto-Dominion Bank, Toronto, Canada** took advantage of the Bank's recent offer to purchase additional stock, according to Allen T. Lambert, Vice-President and General Manager.

Of the 400,000 shares offered, said Mr. Lambert, only 2,262 remained unsubscribed for when the offer closed on Jan. 15. The shareholders were offered 1 additional share for every 5 shares held.

Bond Club of Detroit 43rd Annual Dinner

DETROIT, Mich. — The Bond Club of Detroit will hold its 43rd Annual Dinner on Tuesday, Feb. 24, 1959, at the Detroit Boat Club. It will be attended by approximately 150 leaders of the financial and banking industries in the Detroit area.

Roy L. Reierson

Wilfred J. Friday, of Friday & Company, President of the Bond Club, will preside. The principal address to the gathering will be given by Roy L. Reierson, Vice-President and a member of senior management of the Bankers Trust Company, New York, N. Y., who will discuss "The Economic and Financial Outlook."

Chicago Inv. Women to Hear Dr. B. W. Sprinkel

CHICAGO, Ill.—At the Feb. 18 dinner meeting of The Investment Women of Chicago to be held at the Chicago Bar Association, Dr. Beryl W. Sprinkel, Economist, Harris Trust & Savings Bank, will be the guest speaker.

Dr. Sprinkel, who has become known as a "fearless forecaster," will speak on the subject, "What's Ahead in Business and Investments."

William P. Letchworth

William P. Letchworth, partner in J. Barth & Co., passed away February 1.

Our Reporter on Governments

By JOHN T. CHIPPENDALE, JR.

The refunding operation of the Treasury for February has been provided for, but it remains for the money market to digest the issues which came into being when the Government took care of its maturities. The 3¾% certificate was the most popular issue in the refunding venture and this was in line with the ideas of the Treasury and the financial district as a whole. The three-year 4% note, in spite of the good return that was available in this obligation, had only a modest appeal to the owners of the February maturities since the need was for a shorter-term security. The payout of $2,100,000,000 was not an unexpected development and, to meet the large cash demand, $1,500,000,000 of 217-day tax anticipation bills were offered to take care of the attrition.

The bond market is still on the uncertain side, since there is no institutional demand for the more distant Government securities. It is evident that the inflation fear continues to have an adverse effect on fixed income bearing issues.

Substantial Aid From Federal Reserve

The Federal Reserve Banks came to the aid of the banking system last week, and by so doing prevented the money market from getting too tight. The purchase of more than $160,000,000 of Treasury bills, directly by the Central Banks, also smoothed the path in some measure for the Treasury refunding operation and in this way helped the distribution of the issues that were being offered in exchange for the February maturities. This is not an unusual development since the Federal Reserve Banks have in past given help to the money market when the Treasury is in one of its operations, whether it be a refunding or a new money venture.

Nonetheless, the exchange offer of the Treasury, although giving a good return to the holders of the February maturities, came at a time when the inflation psychology was very strong and this meant that the one-year obligation was to get the bulk of the exchanges ($11,400,000,000) since there is no great desire yet to extend maturities. Only $1,400,000,000 was turned in for the three-year 4% note.

Institutions Continue Chary of Long Governments

There is a very strong demand for the short-term, most liquid Government issues because of the opinions that the best way to meet an upward trend in interest rates is by staying on the near-term end of the list. To be sure, this makes an extension of maturities by the Treasury not an easy proposition because there is only a very limited market for Government bonds.

Even if the Treasury were to increase the coupon rate to a level that might attract others than those that have an interest presently in Government bonds, it is not expected that there would be a real appreciable demand among institutional investors. This, for the reason that non-Federal securities, such as corporate bonds and tax-exempt issues, would most likely give yields that would still make them more attractive than the Government bonds for the large investor.

Better Yield on Savings Bonds Would Help

On the other hand, there are not a few money market specialists who are of the opinion that the Treasury could distribute a sizable amount of bonds to the ultimate investor, in this case individuals themselves. It is being noted that savings deposits are continuing to increase and deposits with savings and loan associations are also on the incline. As against this the sales of savings bonds by the Treasury are down and redemptions in many cases are running ahead of sales. This seems to indicate that the saving type of individual citizen is not too well satisfied with the rate of return that is available in Government savings bonds.

Accordingly, it is believed in some quarters that if the yield on Treasury savings bonds were made attractive enough, these individuals would be buyers in an important way. In this manner, the Treasury would be able to finance part of its deficit through the sale of bonds to the ultimate investor, and to that extent there would be no increase in deposits or in the money supply. The sale of securities to the ultimate investor is one of the best means by which the inflationary developments could be retarded since it would result only in a shift in deposits and not the creation of new ones as is the case when Government obligations are sold to the commercial banks.

Budget Developments Big Question Mark

It is evident from testimony that is being given at the hearings before the various committees in Washington that both the Treasury and the Federal Reserve Board are very adamant in the fight on inflation and about the balancing of the Federal budget. On the other hand, the desire to increase expenditures is still very strong and there are no signs yet that the inflationary group in Congress will give in without a fight. This uncertainty over the budget will keep the pressure on the money market, the bond market, and interest rates.

Ramsey-Hutton Formed

WASHINGTON, D. C.—Ruth E. Hutton is conducting a securities business from offices at 2712 Wisconsin Avenue, N. W. under the firm name of Ramsey-Hutton. She was formerly with Wilder-Ramsey and Renyx, Field & Co.

A. C. Allyn Adds

(Special to The Financial Chronicle)

CHICAGO, Ill.—Calvin L. McIntyre has been added to the staff of A. C. Allyn & Co., 122 South La Salle Street. Mr. McIntyre was previously with Channer Securities Company.

First So. Inv. Co.

(Special to The Financial Chronicle)

STUART, Fla.—First Southern Investment and Mortgage Corporation is engaging in a securities business from offices at 611 Colorado Avenue. Officers are Claude O. Rainey, President; William L. Kistle, Vice-President; and Justine R. Smith, Secretary-Treasurer.

Two With First Southern

(Special to The Financial Chronicle)

ATLANTA, Ga.—Steven H. Fuller, Jr. and Harvey C. Neisler are now with First Southern Corporation, 70 Fairlie Street, N. W.

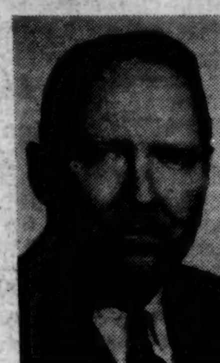
American Stock Exchange Elects to Governing Board

James R. Dyer, an American Stock Exchange member for 30 years, and a stock specialist on the market's trading floor, was reelected to his fourth consecutive term as Chairman of the Exchange Board of Governors at the members' annual elections held February 9, according to an announcement by Edward T. McCormick, President.


James R. Dyer


William F. Neubert


Robert N. Suydam


Edward A. Harvey


Solomon Litt

First elected to the governing board in 1946, Mr. Dyer served a one-year term as Vice Chairman in 1952. He has served on all of the market's committees.

Elected to three-year board posts for the first time were William F. Neubert, Cowen & Co.; and Robert N. Suydam, Merrill Lynch, Pierce, Fenner & Smith, Inc., as regular-member governors and Edward A. Harvey, L. A. Mathey & Co., and Solomon Litt, Asiel & Co., as non-regular member governors.

Also elected to three-year terms as regular-member governors were Charles J. Bocklet; John J. Mann ,Mann, Farrell, Jacobi & Greene and Gerald A. Sexton, Sexton & Smith; all of whom have served in the past. Elected to three-year terms as non-regular member governors were Walter T. O'Hara, Thomson & McKinnon and Adolph Woolner, Bache & Co. who also have served before.

John A. Ludlow, J. A. Ludlow & Co., was elected to a three-year term as trustee of the gratuity fund.

Reynolds Metals 2nd Pfd. Stock Offered

Public offering of 550,000 shares of Reynolds Metals Co. second preferred stock, 4½% convertible series at par ($100 per share) was made yesterday (Feb. 11) by a nationwide underwriting group headed by Dillon, Read & Co. Inc., Reynolds & Co., Inc., and Kuhn, Loeb & Co. The stock is convertible into common stock at $75 per share, subject to the company's rights of redemption.

Proceeds from the sale of the convertible second preferred stock will be used to the extent of approximately $46,900,000 to reimburse the company's treasury for, and to repay short-term bank loans incurred to meet, the cost of acquiring ordinary stock of The British Aluminium Co. Ltd. Additional stock may be acquired, and if the remaining stock is acquired at the offer price, the total cost to Reynolds Metals of its share of the stock would be approximately $50,000,000.

Reynolds Metals Co., in conjunction with Tube Investments Ltd.—a British company engaged in the production of steel tubing and various manufactured articles, is in the process of making a substantial investment in the ordinary stock of The British Aluminium Co. Ltd. The purpose of this investment is to increase the company's stake in the aluminum industry in foreign countries.

Reynolds Metals and Tube Investments have acquired in the market and through an offer by Tube Investments to holders of outstanding ordinary stock of British Aluminium, a total of approximately 8,476,840 shares of the ordinary stock of British Aluminium as of Feb. 9, 1959, being approximately 94% of the outstanding 9,000,000 shares. Reynolds Metals will be entitled to receive a 49% interest and Tube Investments a 51% interest in such stock. The cost to Reynolds Metals of its share of the stock acquired will be approximately $46,900,000.

British Aluminium is the only producer of primary aluminum in the United Kingdom. It has an interest in Canadian British Aluminium, which has recently completed an aluminum reduction plant at Baie Comeau, Canada. It also has fabricating facilities in the United Kingdom and in Scotland. It has interests in aluminum fabricators in Australia and India. British Aluminium has interests in bauxite reserves in Ghana and France and has reportedly taken a 10% interest in "Fria" which is reportedly constructing a plant for the production of alumina in French West Africa from bauxite deposits located in the area.

Reynolds Metals Co., including its wholly-owned subsidiaries, is a major producer of primary aluminum and fabricated aluminum products and is actively engaged in most phases of the aluminum industry. During 1958, it produced approximately 32% of the primary aluminum made in the United States.

In 1958, the company completed construction of additional aluminum reduction facilities at Listerhill, Ala., having an annual rated capacity of 112,500 tons of primary aluminum, which together with the facilities already located there resulted in a total annual rated capacity at Listerhill of 190,000 tons. In 1958, the company also completed additions to the Corpus Christi, Texas, alumina plant which increased its annual rated capacity by 365,000 tons. Additions to its bauxite mining and shipping facilities and increases in capacities for fabricated products were completed during the past two years.

The company is currently constructing an aluminum reduction plant of 100,000 tons annual rated capacity near Massena, N. Y., on the Saint Lawrence River, and is increasing its annual sheet and plate fabricating capacity at Sheffield, Ala., and McCook, Ill., by a total of approximately 170,000 tons.

The company estimates that this current construction program will be completed in 1959 and that the cost subsequent to Oct. 31, 1958, will be approximately $85,400,000, which will be paid for with unexpended proceeds of previous financings and other cash resources.

Upon completion of the current program, the company's aluminum reduction plants will have an aggregate rated capacity of 701,000 tons a year. It is estimated by the company that its proven bauxite reserves are sufficient to provide at least 75 years' capacity operation of its present primary aluminum plants and the new plant under construction.

Total consolidated revenues of Reynolds Metals for the 10 months ended Oct. 31, 1958, amounted to $376,151,094 as compared with $375,796,380 for the same period in 1957. Consolidated net income applicable to common stock for the 10 months ended Oct. 31, 1958, amounted to $30,470,161, or $2.72 per share as compared with $30,150,944, or $2.69 per share for the same period in 1957.

Customers' Brokers Anniversary Dinner

Frank Pace, Jr., former Secretary of the Army and now President of General Dynamics Corporation, will address a dinner meeting of the Association of Customers' Brokers on Tuesday, Feb. 17, 1959. The dinner, celebrating the 20th anniversary of the Association, will be held at the Hotel Delmonico.

Among those expected to attend are Edward C. Werle, Johnson & Wood, Chairman of the Board, New York Stock Exchange; Edward T. McCormack, President, American Stock Exchange, and James R. Dyer, Chairman of the Board, American Stock Exchange.

Barbour Inv. Co. Coast Exch. Member

LOS ANGELES, Cal.—Election of Jack M. Barbour, President of Barbour Investment Co., to membership in the Pacific Coast Stock Exchange through the purchase of a membership in the Los Angeles Division, has been announced by William H. Jones, Division Chairman.

Barbour Investment Co. was organized by Mr. Barbour, principal of the firm, to engage in a general securities business and as corporate finance consultant. Offices are located at 111 West 7th Street.

Mr. Barbour has been active in the securities business is Los Angeles since 1931. He has been a partner in member firms of the Exchange since 1935 and has previously been a member of the Exchange from 1940 to 1955.

With Keller Brothers

(Special to The Financial Chronicle)

BOSTON, Mass. — Douglas D. Porter is now with Keller Brothers Securities Co., Inc., Zero Court Street.

Tourist Tips for Investors

By ROGER W. BABSON

Tips to tourists seeking a future place to live, employment and investment opportunities are presented by financial publisher. Mr. Babson cites some of the pitfalls pertaining to motels as investments.

Our tourist business started in a very small way some 50 or more years ago. It grew steadily but slowly, until the automobile revolutionized it. The automobile has actually done harm to the summer hotel business of the north. Because of lack of business, the great summer hotels of New England are gradually being torn down. The majority of people who travel in the north by auto during the summer stop at motels as transients. They no longer stay for a month, or for the entire summer, as they used to do.

Roger W. Babson

On the other hand, the auto has helped southern business, especially that of Florida, New Mexico, and Arizona,—and also the Pacific Coast. Moreover, many who go South as tourists remain to take up residence. This does not apply, however, to tourists who travel north in the summer.

Cost of Living

Tourists also find that the cost of living is less in the south. This fact is encouraging more people to retire on their social security money. Furthermore, in the north it is more difficult for a person to get a part-time position in order to secure the permitted extra income up to $1,200 above social security which he needs in order to live reasonably comfortably.

In several southern and southwestern states, new industrial concerns are locating which make a specialty of employing these part-time workers. The new low-priced cars which can be bought today enable families to have two small economical cars, and this is a great help to part-time workers.

How and Where to Buy?

After deciding where you would like to live—in Florida, for instance—write to the Chamber of Commerce of that city and inquire as to the opportunities for securing part-time work. Tell the Chamber your trade and your age, and add the information that you have an auto. Of course, you will not buy any property in any southern state without first seeing it.

When buying a house or lot in any tourist section, buy at the end of the tourist season. This means in September (after Labor Day) or in October in the north. Or in May or June in the south.

Motels As an Investment

Motels, as business investments, are subject to several disadvantages. For one thing, the owner must pay taxes, interest charges, insurance, and maintenance costs for 12 months each year, while his profits are usually limited to six months or less. Even so, it was possible to make ends meet when there were very few motels; but now they are so thick that the competition is terrible.

In addition to the above economic difficulty, one's investment may be wiped out by a change of routes. When one buys a motel, it may be on a heavily traveled road; but then the state, or the Federal Government, may decide to build a new toll road or freeway which will leave the motel on a deserted highway.

American Stock Exch. Makes Appointments

The American Stock Exchange Board of Governors has approved the reappointment, by Edward T. McCormick, Exchange President, of Mrs. Mary G. Roebling, Dean George Rowland Collins and William Zeckendorf, Sr., as Public Governors of the market place. Mr. McCormick stated "the principal function of our three Public Governors is to bring to the Exchange the point of view of persons not directly engaged in the securities business. Each of these representatives has, in the past, contributed much to the establishment of the basic policies of this Exchange."

Mrs. Roebling is President and Chairman of the Trenton Trust Co. Dean Collins is head of the New York University Graduate School of Business Administration. Mr. Zeckendorf, President of Webb & Knapp, Inc., and a leading figure in national hotel and real estate circles, is also President of the Board of Trustees of Long Island University.

Mr. McCormick also announced the appointment of Chairmen to head the ASE's standing committees: James R. Dyer, Board Chairman, Executive Committee; Adolph Woolner, Bache & Co., Committee on Securities; Harold A. Rousselot, Francis I. du Pont & Co., Committee on Outside Supervision; Joseph F. Reilly, Committee on Floor Transactions; John J. Mann, Committee on Finance; Gerald A. Sexton, Sexton & Smith, Committee on Admissions; Paul Porzelt, Emanuel, Deetjen & Co., Committee on Arbitration; Walter T. O'Hara, Thomson & McKinnon, Committee on Public Relations, and John Brick, Paine, Webber, Jackson & Curtis, Committee on Business Conduct.

Join Amott, Baker & Co.

Reginald G. Foster, Edward A. Nadeau and Achiel L. Van Wanseele have joined Amott, Baker & Co., Incorporated, members of the New York Stock Exchange, as registered representatives.

Mr. Foster will be associated with the firm's New York office, 150 Broadway, and will serve clients primarily residing in the New Jersey area. Mr. Foster was formerly associated with Moody's Investors Service as Assistant to the General Sales Manager. Prior to joining Moody's sales organization in 1950, Mr. Foster had been employed by several leading New York investment firms.

Mr. Nadeau and Mr. Van Wanseele will be associated with the firm's Detroit office, Penobscot Building. Both Mr. Nadeau and Mr. Van Wanseele have had extensive experience in the investment business having been associated for many years with various member firms of the New York Stock Exchange with offices in the Detroit area.

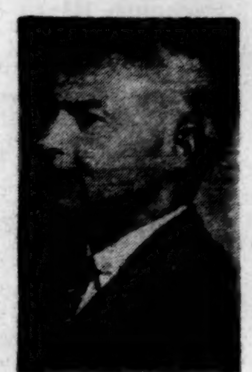
Amott, Baker & Co. has its principal office in New York City. Branch offices are maintained in Detroit, Philadelphia, Washington, D. C., and Waterbury, Conn.

Jesse M. Levy, Jr.

Jesse M. Levy, Jr., partner in Lawson, Levy, Williams & Stern, passed away Feb. 5.

Pacific Coast Exchange Names George W. Davis

George W. Davis of San Francisco, senior partner of Davis, Skaggs & Co., has been named as new Chairman of the Governing Board of the Pacific Coast Stock Exchange. He succeeds Frank E. Naley of Los Angeles, general partner of E. F. Hutton & Company.



George W. Davis

Mr. Davis is now serving his second term as Chairman of the Governing Board of the San Francisco Division of the Exchange and was Vice-Chairman of the Pacific Coast Stock Exchange Board last year. In 1955-56 Mr. Davis was President of Investment Bankers Association of America and is a former Vice-Chairman of the National Association of Security Dealers. He has been actively engaged in the securities investment business since 1921.

William H. Jones of Los Angeles, President of the William H. Jones & Co., was elected Vice-Chairman of the Pacific Coast Stock Exchange Governing Board, having previously served two three-year terms as Governor of the Los Angeles Division.

Other members of the 1959 Governing Board are Warren H. Berl of Sutro & Co.; Calvin E. Duncan of Calvin E. Duncan & Co.; McClarty Harbison of Harbison & Henderson; and P. J. Shropshire of Mitchum, Jones & Templeton.

Ex-officio Board Members will be Ronald E. Kaehler and W. G. Paul, Presidents, respectively, of the San Francisco and Los Angeles Divisions of Pacific Coast Stock Exchange. Other officers of the Exchange will be Miss Ruth Kapelsky of San Francisco, Secretary and Assistant Treasurer, and Thomas P. Phelan of Los Angeles, Treasurer and Assistant Secretary.

Belmont, Maloney & Sharp, Div. Ch'men in Red Cross Drive

August Belmont, Vice-President of Dillon, Read & Co., Inc.; Richard L. Maloney, Jr., President of the New York Savings Bank; and Dale E. Sharp, President of the Guaranty Trust Co. of New York, have accepted appointment as Division Chairmen for the New York Red Cross Chapter's 1959 Fund Campaign, it has been announced by Eugene S. Hooper, President of Manufacturers Trust Co. and Chairman of the Campaign's Finance Section.

Mr. Belmont will serve as head of the Investment Bankers division and the Non-Member Firms division.

Mr. Maloney will be Chairman of the Savings Bank division.

Mr. Sharp will lead the Banks and Trust Companies division. He named Guido F. Verbeck, Executive Vice-President of Guaranty Trust, as his deputy for the campaign.

The appeal for members and funds, which opens March 1, is part of a national drive to obtain gifts totaling $95,000,000 to meet Red Cross needs in the coming months. Support is sought to enable Red Cross to continue to aid servicemen, veterans and their families; to maintain its Blood, Health and Safety programs; and to assure relief to disaster victims in 1959.

Continued from first page

As We See It

that and the other security program—and to the need for avoiding a balanced budget.

Other Reasons Also Given

But the need for better defense is, according to these program makers, not the only reason for avoiding any attempt to balance the budget. The violent proponents of huge funds for the farmers, for large subsidies (or the equivalent) for housing, and for various other "welfare" schemes are perhaps not quite so scornful, or rather so explicit, in their denunciation of any program of living within our means, but their actions speak plainly enough. They want funds for their pet programs, and they worry not at all about where the funds are coming from—indeed many of them seem to believe that we should be better off if we did not trouble ourselves on the subject, but rather just kept right on piling Pelion on Ossa in the form of debt. To give support to all such easy reasoners is the old New Deal idea that a deficit is a good thing—and that in any event we need to get much greater growth in our economy than the current rate and the way to do it is to go further and further into debt.

How often is it said these days that we, the richest nation on earth, have been doing only such arming as we "can afford" while the Kremlin has not for a moment permitted such considerations to limit the rate at which arms are made and improved in that country! Now it probably is true that the Kremlin has decreed that a much larger proportion of current output in that country shall go into armaments than is true in this country. If so, it clearly means that the rank and file of the Russian people have been required to do without much which we have in abundance and doubtless the Russians would like to have—or else been ordered to work harder and longer than otherwise would be needful—in order that there may be more sputniks and more rockets and more bombs.

Work Harder, Produce More

Now if it is really necessary or wise for us to enlarge our defense effort substantially, the Soviet program of sacrifice and harder work is precisely the policy we should adopt — except, of course, that we would demand these sacrifices of ourselves rather than have them ordered from above. There are too many among us, however, who seem to suppose that all that is required is to appropriate and borrow more money for defense purposes while subsidies and waste proceed apace, and while workmen demand more and more pay and are willing to do less and less work. We can easily "afford" much more armament—if we really need it—and much more probing into space—if there is really anything to gain by it—but we certainly cannot at the same time afford to pay farmers billions to produce goods neither we nor any one else who can pay for them want. Neither can we afford to pour public funds into housing in amounts far in excess of what the natural forces would require or provide.

Some way must be found to re-teach the once familiar and still vitally true doctrine that it is just as fatal for a nation to live beyond its means as it is for the individual to do so. If we are in serious danger of losing our ascendancy as producers of goods and services, the trouble lies in the fact that we are wasting our substance in producing goods that have no value and in the further truth that, by and large, we are no longer willing to exert ourselves as in times past. Too many of us have been lulled into relaxation by talk of "productivity." "Productivity," as the term is now employed, means simply output per man working one hour. It says nothing about the output per man working a week or a year. Whether we as a nation are producing more or less per man-year can not be determined by any of the current figures compiled and published under the style and title of "productivity." Nor is there any hint in such statistics as to whether the right things are being produced.

Futile and Worse

Now it is, of course, futile to demand more of everything than we are producing or are willing to produce. It is, in point of fact, much worse than futile. Fed as it is certain to be by arbitrarily created bank deposits, it can only result in what is known as inflation—higher prices and wasteful investment of capital in forms and directions which will not and can not pay their way out. We already have vast inflationary funds in our economic system, thanks to war efforts and war economic errors. A relatively small rise in the rate at which bank deposits are

utilized easily affords the funds to feed such an inflation. A large Federal deficit, no matter how originating, is but one, though a very potent, factor in producing such an awkward economic state of affairs which can not fail in the long run to weaken us.

And let us remember that, whatever the nature of the current situation, this is no "crash" state of affairs. That is to say, we shall almost certainly be confronted with an aggressive and hard-working Kremlin for a good many years to come. This will be a long race—if it is to be termed a race at all—and we need to husband our resources and expend our strength in such a way as to retain our vigor and our productiveness for a long, long time to come. It is imperative that we give much more careful and realistic thought to our situation and our future.

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Setting the Record Straight About Soviet Trade Desires

tives are not classified as strategic goods whose export from the United States to the USSR is banned. Mr. Mikoyan is a highly knowledgeable man and should know that this is far from the actual facts. In very recent months, in addition to the 900 products which require no specific licenses, the Department of Commerce has licensed for export to the Soviet bloc such varied articles as: agricultural machinery, scientific and professional instruments, galvanizing equipment, textile machinery, stainless steel pipe, winders for steel mills, electrical heating units for industry, antibiotics, polio vaccine, rubber processing chemicals, a conveying system, and steel sheet and copper.

When we hear the Soviets complaining about our export controls, we must remember that the Soviet Union, through its state trading monopoly, maintains complete control over all exports, permitting only those which are considered to suit the Soviet objective of the moment.

Soviet Default Not Cleared Up

Now, as to credits: How can we be expected to extend them to the Soviet Union while that country is in default to us on its past debts? The Soviet Union is the only major country with which we have been unable to reach a settlement of Lend-Lease accounts. In these settlements we have asked for partial payment to cover the civilian type goods remaining in the hands of the country concerned at the end of the war. Let me repeat: I am speaking of **civilian** type goods only. In the case of the Soviet Union, these goods amounted to $2.6 billion. When we last discussed this matter with the Soviets in 1951, we offered to settle this account for $800 million payable over a long term at low interest. The Soviet Union offered $300 million. In an effort to move this matter forward and thus eliminate a major obstacle to improved economic relations, I told Mr. Mikoyan that we were prepared to renew negotiations immediately to seek a compromise solution. Mr. Mikoyan, to my great regret, showed no interest whatsoever in a resumption of these long stalled talks.

Long-term private credits to a defaulting country are prohibited by the Johnson Act, which was enacted as long ago as 1934. Short-term credits are, however, freely available to the Soviet state trading agency on normal commercial terms.

Speaking of credits, I should like to observe that we are constantly considering requests for loans to assist the newly-developing countries of the Free World which are far greater than the available funds. Therefore, the extension by the United States Government of credits to finance the growth of the industrial machine of a hostile Communist party whose leader has threatened to "bury" us, has understandably low priority.

Mr. Mikoyan also complained that we discriminate against Soviet exports as a result of Congressional action in 1951 withdrawing most-favored-nation treatment. This, he claims, has served to place higher tariff duties on Soviet exports to this country. In actual fact, only a small portion of Soviet exports, past or current, are affected. Further, when a Communist country like the USSR extends most-favored-nation treatment on customs matters, it is meaningless. For the total state trading monopoly directs its trade as it sees fit and does not rely on use of tariffs. Therefore, the grant of most-favored-nation treatment to a Communist country is a one-way affair in favor of that country and must be compensated for by other considerations.

More important, as I reminded Mr. Mikoyan, this action was taken by the United States Congress in the year following the outbreak of the Korean War. In our country, most-favored-nation treatment has more than a purely commercial significance. The American people, acting through their Congress, would find it hard to contemplate extending most-favored-nation treatment at this time to a country whose leaders relentlessly demonstrate their hostility and constantly menace our national security.

Obviously, any change in this legislation will have to await a definite improvement in the international political climate.

I should like to emphasize that these issues, together with certain minor technical impediments such as restrictions on the importation of certain furs from Russia, do not constitute serious obstacles to trade, if — as the Soviet leaders allege — they truly desire to expand commerce with the United States.

A broad range of peaceful goods is freely available through normal trade channels to the Soviet Union —just as these goods are available to our partners in the Free World.

Charges "Patent Nonsense"

Soviet leaders, including Mr. Mikoyan, have implied that the United States is blocking the expansion of peaceful trade in the "fear" that the living standards of Soviet citizens will be raised under a Socialist system. This is patent nonsense.

The American people have always sympathized with the impoverished Soviet citizen. They have expressed their warm sympathy through substantial and generous aid to the Soviet people in their dire need following two World Wars.

As a matter of national policy, the United States Government would welcome a significant improvement in Soviet living standards, in the hope that this would serve to put a damper on the aggressive and expansionist ambitions of their Communist leaders.

We offer the Soviets the opportunity to purchase unlimited quantities of food, clothing, household appliances, and other useful consumer items with which our free economy is blessed. Imports of this nature could immediately brighten the shabby existence of the average Soviet citizen and measurably improve his standard of living. I sincerely hope that the Soviet leaders will accept this offer.

In truth, the only thing the Soviet Union needs to do if it **really** wishes to expand its trade with us, is, quite simply, to begin trading. I can think of no more direct way to state the position of the United States Government.

Suggestions to Restore Confidence

I will admit that establishing firm and dependable commercial relations with private firms in the Free World does not come easily to a Communist state trading monopoly. However, if the Soviet leaders wish to create greater confidence in the American business community, there are a number of things they can do. Among them I would suggest:

First, make firm arrangements to settle outstanding Soviet debts.

Second, permit a greater degree of access by private American firms to both producing and consuming units in the Soviet Union.

Third, introduce a measure of predictability into Soviet foreign trade relations, by making public their intentions with respect to specific goods which they intend to buy and sell under their foreign trade plans.

Fourth, take measures to provide assurance to foreigners of genuine protection for private industrial property rights as well as authors' rights.

Finally, demonstrate firmer adherence to business principles—instead of turning trade off and on, as Soviet leaders so frequently do in the interest of political expediency.

Before I leave the subject of United States-Soviet trade, I should like to emphasize what should be obvious from my earlier discussion of the nature of Soviet foreign trade:

The major obstacle to an expansion of Soviet trade on a mutually beneficial and lasting basis, lies in the whole orientation of Soviet economic policy with regard to foreign trade.

Compares Exports to Denmark

It is the deliberate Soviet policy of striving for self-sufficiency and development in isolation from for the fact that, despite large percentage increases over the low levels of Stalin's time, the second largest economy in the world now exports to the Free World at only the level of a country the size of Denmark.

I have been discussing Soviet foreign economic policies as they relate to the United States and other Western industrialized nations. But there is another, even more important aspect of Soviet foreign economic policies: The Soviet Union's determined and resourceful drive to penetrate, and eventually capture, the newly-developing countries of Asia, Africa and Latin America, through trade and aid techniques.

In the last four years the Soviet Union, together with its European satellites and Communist China, has extended a net total of $2.4 billion in credits. One billion dollars worth of these credits was extended during the past year. Soviet bloc trade turnover with underdeveloped countries of the free world during 1957 was $1.7 billion — more than double the value of such trade in 1954. Preliminary data for 1958 indicate that this upward trend is continuing.

The number of well-indoctrinated and dedicated Soviet technicians operating in Asia, the Middle East and Africa, has grown to 4,000—an increase of 65% in a single year—and their numbers are growing at a far faster rate than the number of our own American technicians. Skillful commercial propaganda, highly publicized bilateral trade agreements, and the exchange of trade delegations, have all been used to drive home the Sino-Soviet economic offensive.

The predominantly political motivation of this new activity is obvious and has been freely admitted by Soviet leaders. It represents a strategic departure from the traditional Soviet pattern. They have candidly said that the export of capital equipment is not profitable to them.

In their offensive, economic weapons have been cleverly blended with military assistance, propaganda and diplomatic moves, to inflame local passions and to create and aggravate situations of crisis. The short-term objective is to provoke and capitalize on tensions between the less-developed and the more developed nations of the Free World. The long-range aim is to create climates and attitudes in the newly-emerging areas which will be conducive to eventual Communist take-over.

The United States has, for years, been building a firm international economic framework designed to help the peoples of the newly-developing nations realize their potential for growth as free citizens. The Soviet offensive in the underdeveloped countries has served to impart a greater sense of urgency to our efforts.

It is now an accepted imperative of our national policy that the aspirations of the newly-emerging peoples confront us with the most challenging task in our history — one that calls for the ready response of our best minds and resources.

States We Need a High Growth Rate

In approaching this task, one of the most important contributions we can make is to maintain a high rate of growth in our own country. For, as our economy grows and prospers, its benefits are transmitted through normal trade and private capital channels to all nations which participate with us in the Free World multilateral trading system.

However, to accelerate the rate of sound economic growth in the underdeveloped countries, considerably more investment capital is needed from outside sources. Public financing is required to supplement and accelerate the contributions being made by the normal flow of trade and private investment.

These are some of the steps necessary to bolster the efforts the newly-emerging peoples are making on their own behalf.

First, we must take a leading part in reducing barriers to world trade, both through our own practices and through the General Agreement on Tariffs and Trade. This will increase the ability of less-developed countries to pay for their own economic development through sales of their products.

Second, we must be sympathetic and open-minded regarding the problems which the less-developed nations face as a result of severe price fluctuations of their raw material exports. Such price fluctuations can, and have, wiped out many of the benefits to the less-developed countries from Western economic assistance. While fixed price stabilization schemes cannot provide the answer to these problems, there are other constructive actions which can and should be undertaken.

Third, we must increase the resources of the International Monetary Fund to assist Free World countries in meeting temporary drains on their foreign exchange reserves. We must also expand the lending capacity of the International Bank for Reconstruction and Development, which has accomplished so much in furthering the economic development of the less-developed countries.

Turns to Latin America

For many years, our sister republics to the south have urged the establishment of a special lending institution to promote the economic development of Latin America. We have now agreed to participate in such an institution and our representatives are currently meeting in Washington with officials of the other American States to draw up its charter. I consider the creation of this new institution to be a sound and forwardlooking step which holds great promise for the future development of Latin America.

Fourth, we must emphasize the role of our new Development Loan Fund as a source of development financing on flexible terms of repayment. The Development Loan Fund must be enabled to take a more active part with the World Bank and our Export-Import Bank in stimulating an increased flow of capital for development programs.

Fifth, we must continue to extend technical assistance to the underdeveloped nations through our long-established programs of bilateral technical cooperation, and through the multi-lateral programs of the United Nations and the Organization of American States.

Finally, I cannot stress too strongly the urgent need to call upon the vast human and financial resources of the private sector of our economy to work with Government in pushing back the frontiers of Free World economic development. Government alone cannot do the job. Increased private investment abroad and the enlistment of private managerial and technical talents are urgently in demand.

When the Soviet Government engages in economic assistance, it uses the resources of its entire economy, because there is complete identity between the economy and the Government. We have no wish to emulate Soviet patterns of organization or behavior. However, during times of crisis in our past, private enterprise has formed an effective working partnership with government. We are now living in a time of continuing crisis. We must find ways to forge a new working partnership to meet the challenge of our time.

Success in the achievement of our objectives will require the combined efforts of the entire American people. I look to our internationally minded business community to take up the challenge.

Samuel A. Gayley

Samuel Alexander Gayley passed away Jan. 28 at the age of 59. Mr. Gayley had been in the investment business in Philadelphia.

Richard A. Cunningham

Richard A. Cunningham, head of his own investment firm in New York City, passed away Feb. 3 at the age of 53.

Downs, With J. A. Hogle

(Special to The Financial Chronicle)

BEVERLY HILLS, Calif.—Cecil J. Downs has become associated with J. A. Hogle & Co., 428 North Camden Drive. Mr. Downs, who has been in the investment business for many years in Chicago and Los Angeles, has recently been with Boren & Co. and Daniel D. Weston & Co.

NASD District No. 7 Elects Officers

NASHVILLE, Tenn. — Gus G. Halliburton, Vice-President, Equitable Securities Corporation, Nashville, was elected Chairman

Gus G. Halliburton Frank A. Chisholm

of District Committee No. 7 of the National Association of Securities Dealers. Frank A. Chisholm, Executive Vice-President, Varnedoe, Chisholm & Co., Inc., Savannah, was elected Vice-Chairman. The District comprises the states of Florida, Georgia, South Carolina and a part of Tennessee.

Bennett Whipple, with the NASD office in Atlanta, is Secretary of District Committee No. 7. The association has reclassified its Districts. Until the change, Alabama, Florida, Georgia, Louisiana, Mississippi, South Carolina, and Tennessee comprised District No. 9.

R. J. M. Wilson V.-P. Of Union Service

Robert J. M. Wilson has been elected a Vice-President of Union Service Corporation, the organization that supplies investment research and administrative services to a group of investment companies which includes Tri-Continental Corporation, and the Broad Street Group of Mutual Funds, it was announced Feb. 10 by Francis F. Randolph, Chairman of the Board and President.

Mr. Wilson joined the investment research staff of Union Service Corporation after three years' experience in the buying department of a subsidiary of Tri-Continental Corporation. He has had wide experience in security analysis and at present serves as Secretary of the Investment Committees of Tri-Continental, Broad Street Investing, National Investors and Whitehall Fund.

Kroeze, McLarty & Co. Phila.-Balt. Exch. Member

PHILADELPHIA, Pa.—Kroeze, McLarty & Co., of Jackson, Miss., have been admitted as a member firm of the Philadelphia - Baltimore Stock Exchange. Fifteen firms with home offices in Georgia, Florida, South Carolina and Alabama have joined the Exchange in recent years. Jack M. McLarty brings to the Exchange the first firm with a home office in the State of Mississippi. The expansion of the Exchange is reflected in a steady increase in business, 1,100,094 shares being traded in January, 1959, the largest volume of any January since 1930.

With Bruns, Nordeman

Harry Bonell, Thomas R. Lanese and Allan Lefcourt have become associated with Bruns, Nordeman & Co., 321 Broadway, New York City, members of the New York Stock Exchange, as registered representatives.

Four With Graham, King

(Special to The Financial Chronicle)

BOSTON, Mass. — Edward M. Armstrong, Jr., Donald W. Rosche, Chester N. Smith and Josephine A. Sullivan are now affiliated with Graham & King, Inc., 16 Court Street.

Continued from page 4

The State of Trade and Industry

last year. Our preliminary totals stand at $25,386,559,311 against $23,389,033,185 for the same week in 1958.

Bank clearings for New York City totaled $13,645,032,447 against $12,831,635,428 or 6.3% gain for week ended Feb. 7, Chicago $1,197,344,524 compared with $1,076,430,631 or a 11.2% gain and Philadelphia $1,088,000,000 against $942,000,000 or 15.5% gain over same week in 1958.

Foreign Competition on Overseas Construction Stronger

U. S. construction contractors may be in for a wave of new foreign competition for prime contract awards on overseas military construction projects, reports "Engineering News-Record," the McGraw-Hill publication.

In the past, U. S. firms have generally received preference in such work. Foreign construction companies, however, have been allowed to be partners with U. S. firms in joint ventures to bid on prime awards.

Now, foreign construction companies may be allowed to take prime contracts on their own—without U. S. partners. And U. S. Defense officials concede there is a growing trend to permit foreign firms to bid on and win military construction prime awards.

In France and Great Britain, for instance, the U. S. already has been forced to accept a new procedure, the magazine reports. Under it, the two countries award the construction contracts for U. S.-financed military bases—and normally the awards go to their own nationals.

Pentagon officials say they are under increasing pressure from Canada to place construction contracts there with native firms. The Defense Department which has made concessions, now allows Canadians to bid in competition for prime contracts with U. S. firms.

Still, there is a factor favoring U. S. contractors; the secrecy surrounding much of the overseas military construction program and the natural U. S. reluctance to allow a foreign firm to build secret installations.

Demand for Steel Reminiscent of 1956 Buying Rush

Order books are filling up so rapidly that steelmakers fear they won't be able to satisfy their customers, "Steel" magazine reported Feb. 9.

Not since the fall of 1956, when consumers were scrambling to replenish strike-depleted inventories, has the industry seen such a buying rush.

Demand for sheets has reached such a pitch that most mills are allocating tonnage. Some are sold out of all flat-rolled products through June.

Automakers are spurring the buildup. Although building their own inventories at a leisurely pace, they're urging suppliers to accumulate steel in a hurry. Manufacturers of parts are expected to lay in enough metal by June 30 to carry them through initial runs on the 1960 cars.

Knowing they must compete with automotive and appliance steel buyers in a tight market, small consumers are ordering bigger tonnages for first half delivery than business conditions warrant. In some cases, they're placing duplicate orders.

As for other steel products, demand for plates has picked up tremendously, and some producers expect full operations through June. Structural mills are enjoying better business than they've had in months. Oil companies are moving ahead with their drilling programs and placing substantial orders for tubing and casing.

Steelmaking operations last week climbed 1 point to 79% of capacity. Production was about 2,237,000 net tons of steel for ingots and castings, largest of any week since June 3, 1957.

Near-record metalworking profits are on the way, "Steel" said. Based on trends and industry leader predictions, here's what to expect in the first half:

Record earnings for aluminum producers and makers of cans; farm, office, and electrical equipment; and some fabricated metal products.

Near-record profits for steelmakers, most instrument people, some component makers and some producers of consumer durable goods—especially those closely tied to the trend in new home construction.

Some aircraft and automotive firms will chalk up records or near-record profits; others will settle for a "good" year.

Capital goods industries will not fare so well. Their earnings are inching upward too slowly to hit the 1957 level by the end of this year.

A "Steel" survey shows small, sporadic hikes in prices of some components are expected in the first half. Spotty hikes of 5 to 10% are indicated for stampings; a 4 to 7% increase for fasteners; and a 5% hike for antifriction bearings. Price stability is ahead for diecastings, screw machine products, and relays. Less price cutting is expected in gears.

The magazine's composite on the prime grade of scarp increased for the fourth straight week. At $42.50 a gross ton, it is up 83 cents.

Actual Need Big Factor in Steel Buying

Strike-hedge buying is only part of the story behind the upsurge in steel demand, according to "The Iron Age," national metalworking weekly.

"Iron Age" said the mills report growing signs that steel-using companies are buying for actual need as well as for inventory-building in case there is a strike next summer. They say incoming orders are firm and solid.

"There are no phonies in this thing," said one steel man. "You don't have customers suddenly jumping from 100 tons to 1,000 tons a month. The increases line up with past patterns on our share of the market."

"Iron Age" said steel men report their customers are not just issuing blanket orders for the first half or even for a given month. They want to know the week shipments will arrive. This indicates they probably need the steel to meet rising production levels in their own operations.

Another straw in the wind: Steel service centers (warehouses) in the Chicago area have started to receive some mill-sized orders for sheet and coated sheet. What apparently is happening is that some steel users are turning to warehouses when mills cannot meet delivery schedules.

The metalworking weekly said that many steel users who waited too long to place orders are being turned down by the mills, especially on sheet and strip. Another reason for this is that the mills are carefully screening orders, partly to take care of their regular customers and partly to see that everyone gets a fair shake.

In some cases, said "Iron Age," steel sales offices are dickering with home office management to squeeze valued accounts onto mill rolling schedules.

The magazine said that for all intents and purposes, sheet capacity for the first six months has been spoken for. The mills know that what little rolling space is still available will be snapped up before too long.

Market strength in flat-rolled products (sheets, strip, and coated sheets) is spreading to other steel items.

"Iron Age" said the outlook now is for bar mills to be booked to capacity by April. Wide flange beams will be sold out for the second quarter. Seamless pipe mills will go to 100% of capacity this month or in March. One maker of manufacturers wire and rod is now at 80% of capacity, expects to hit a peak of about 90%. The mills expect standard pipe to hit capacity in May and June.

Merchant wire products are still weak. Standard structurals are lagging. Both light and heavy plate orders are being carefully screened in what amounts to a system of allocations.

Steel Production Continues to Climb

The American Iron and Steel Institute announced that the operating rate of steel companies will average *147.1% of steel capacity for the week beginning Feb. 9, equivalent to 2,363,000 tons of ingot and steel castings (based on average weekly production for 1947-49) as compared with an actual rate of *142.4% of capacity and 2,288,000 tons a week ago.

Actual output for Feb. 2 week was equal to 80.8% of the utilization of the Jan. 1, 1959 annual capacity of 147,633,670 net tons. Estimated percentage for the week of Feb. 9 is 83.5%.

For the like week a month ago the rate was *131.4% and production 2,111,000 tons. A year ago the actual weekly production was placed at 1,445,000 tons or 90%.

*Index of production is based on average weekly production for 1947-1949.

Added Steelmaking Capacity: Free World vs. Russia

The free world added 53.8 million net tons to steelmaking capacity between 1955 and 1958, while Russia and its satellites added 19.8 million tons, American Iron and Steel Institute reported on the basis of reports by the United Nations.

Such comparisons have been rare because few foreign nations regularly estimate steel capacity as is done annually for the United States by the Institute.

Between 1955 and 1958, this country increased capacity by nearly 14.9 million net tons, while Russia added 10.3 million net tons.

Meanwhile, the free nations of the world other than the United States increased their aggregate steel making capacity by nearly 38.9 million tons against about 9.5 million tons added by all the countries under Russian domination.

World steelmaking capacity, at nearly 372.5 million net tons in 1958, increased nearly 25% from the 1955 level.

Since the United Nations capacity figures were reported late last year, Russia and China have announced major steel industry expansion programs.

Automobile Production Down 2%

Production in the week beginning Feb. 2 was calculated by Ward's at 117,050 cars, 2% below previous week's total of 119,678, and 25,142 trucks, 1% more than the earlier week's output of 24,938 units. In the corresponding week last year, 109,028 cars and 19,481 trucks were turned out.

There was no output of Plymouth or Dodge automobiles in the latest week, Ward's said, although Chrysler Corp.'s De Soto-Chrysler and Imperial plants in Detroit operated. The corporation's assembly activity has been hampered since mid-January by a Pittsburgh Plate Glass Co. strike.

Ward's said all General Motors plants were on five-day programs. Throughout the remainder of the industry, eight carmaking factories scheduled Monday through Saturday work. Included were five Ford Division plants, Lincoln's Wixom, Mich., facility, American Motors in Kenosha, Wis., and Studebaker-Packard in South Bend, Ind.

The statistical publication reported that car manufacturers have hopes of producing 500,000 automobiles in February. Whether or not the volume is reached depends essentially on settlement of the Pittsburgh Plate Glass Co. strike and Chrysler Corp.'s resumption of normal production rates. Output of cars in January totaled 545,757 units.

January New Car Sales 12.6% Above Last Year

New car dealers boosted their January auto sales 12.6% over the 380,000 a year ago, posting a 428,000 volume that was equivalent to a 5,052,000 annual rate not counting 400,000 forecast imports.

Ward's Automotive Reports said that Jan. 21-31 deliveries, at 16,780 units daily, dipped 1% under the mid-month rate but ran 14.1% above the 14,700 in Jan. 21-31 last year.

The month-end close-out gave entire January 16,458 sales for each selling day compared with 14,615 last year and was restricted by freezing weather in many high-volume mid-west sales areas.

Electric Output Higher Than in Previous Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, Feb. 7, was estimated at 13,292,000 kwh., according to the Edison Electric Institute. Output the past week was above the level of the preceding week.

For the week ended Feb. 7 output increased by 141,000,000

kwh. above that of the previous week and showed a gain of 1,003,000,000 kwh. above that of the comparable 1958 week.

Carloadings Drop 4.9% Above Preceding Week

Loading of revenue freight for the week ended Jan. 31, totaled 582,636 cars, the Association of American Railroads announced, an increase of 27,089 cars or 4.9% below the preceding week. The total for the latest week reflected an increase of 32,104 cars or 5.8% above the corresponding week in 1958, but a decrease of 65,336 cars or 10.1% below the corresponding week in 1957.

Lumber Shipments Show 5.4% Gain

Lumber shipments of 468 mills reporting to the National Lumber Trade Barometer were 5.4% above production for the week ended Jan. 31. In the same week new orders of these mills were 11% above production. Unfilled orders of reporting mills amounted to 41% of stocks. For reporting softwood mills, unfilled orders were equivalent to 20 days' production at the current rate, and gross stocks were equivalent to 45 days' production.

For the year-to-date, shipments of reporting identical mills were 0.8% above production; new orders were 9.1% above production.

For the week ended Jan. 31, as compared with the preceding week, production of reporting mills was 2.4% below; shipments were 4.6% above; new orders were 2.8% below. Compared with the corresponding week in 1958, production of reporting mills was 0.1% below; shipments were 12.1% above; and new orders were 18.2% above.

Business Failures Down Sharply

Commercial and industrial failures fell to 271 in the week ended Feb. 5 from 322 in the preceding week, reported Dun & Bradstreet, Inc. At the lowest level in five weeks, casualties were considerably less numerous than a year ago when 342 occurred, and they were slightly below the 287 in 1957. Compared with the prewar failure level, the toll was down 15% from the 318 in the comparable week of 1939.

Casualties involving liabilities of $5,000 or more declined to 235 from 264 in the previous week and 247 last year. A downturn also prevailed among small failures, those with liabilities under $5,000, which dipped to 36 from 58 a week earlier and 45 in the similar week a year ago. Liabilities in excess of $100,000 were incurred by 30 of the failing concerns as against 31 in the preceding week.

All industry and trade groups had lower failures during the week, although the dip in manufacturing was slight, to 47 from 49. Meanwhile, the toll among retailers fell to 133 from 159, among wholesalers to 22 from 31, among construction contractors to 44 from 52, and among commercial services to 25 from 31. Fewer businesses succumbed than last year in all lines; the sharpest decline from 1958 occurred in retail trade and the mildest dip appeared in the service group.

Five of the nine major geographic regions accounted for all of the week-to-week decrease. The Middle Atlantic States reported a total of 92 as against 117, the East North Central 41 as against 57, and the South Atlantic 11 as against 26. Contrasting increases prevailed in four regions, with the Pacific total edging to 61 from 60. In all except two regions, fewer businesses failed than in the corresponding week of last year. The most noticeable declines appeared in the South Atlantic and South Central States where tolls were less than half as heavy as in 1958.

Wholesale Food Price Index Drops 0.2%

The wholesale food price index, as compiled by Dun & Bradstreet, Inc., stood at $6.19 on Feb. 3, a drop of 0.2% from the prior week's figure of $6.20. A year ago, however, the figure was $6.47, or 4.3% higher. As a matter of fact, the week of Feb. 3 marked the fifth successive week that the index was below that of the similar date in 1958.

Commodities quoted higher in the week ended Feb. 3 were flour, rye, coffee, eggs, and molasses. Lower in wholesale cost were corn, oats, barley, beef, hams, bellies, lard, butter, sugar, cottonseed oil, cocoa, steers, and hogs.

The index represents the sum total of the price per pound of 31 raw foodstuffs and meats in general use. It is not a cost-of-living index. Its chief function is to show the general trend of food prices at the wholesale level. Figures for recent dates follow:

Wholesale Commodity Price Index Rises Slightly

Higher prices on grains, hogs, lambs and steel scrap helped the general commodity price level climb over that of the prior week. The Daily Wholesale Commodity Price Index, compiled by Dun & Bradstreet, Inc., rose to 276.47 on Feb. 9 from 274.84 a week earlier, but was noticeably below the 279.08 of the similar date a year ago.

A slight reduction in some salable supplies resulted in a steady rise in most grain prices during the week. Stimulated by increased export business, wheat prices climbed moderately, and supplies were slightly reduced. Domestic buying of wheat was close to the prior week.

Although the buying of corn was sluggish again, prices were steady. Light offerings somewhat restricted volume in oats, and prices were sustained at prior week levels. Rye prices advanced substantially as trading moved up. Soybean trading slackened during the week and orders in the meal and oil markets declined; this resulted in a slight decrease in prices.

Despite gains in wheat prices, flour prices declined moderately this week. Buying was restricted to fill-in orders. A high level of both domestic and export buying helped rice prices match those of a week earlier. Rice distributors were stocking up for the forthcoming Lenten season.

There was another slight dip in cocoa prices. Trading was sluggish at the beginning of the week, but picked up at the end of the period. Although coffee trading sagged at the end of the week, prices finished close to those of the preceding week. Despite a moderate rise in volume, sugar prices were unchanged during the week.

Hog receipts fell moderately in Chicago this week and trading picked up resulting in a marked rise in prices. The salable supply of lambs was light, but trading was sustained at a high level and prices moved up. Although cattle receipts were reduced, prices on steers remained close to the preceding week; trading in steers was down slightly.

Cotton prices on the New York Cotton Exchange were close to those of the prior week. There was a slight rise in trading at the end of the week as many traders were influenced by reports on the governments export program for 1959-60. However, volume at the beginning of the week was sluggish due to the announcement of smaller-than-expected loan entries.

Retail Trade Up Moderately Over Last Year's Volume

Retail trade for the week ended Feb. 4 was sparked by good weather in many areas, continued clearance sales promotions, and interest in Spring merchandise boosting the total dollar volume moderately over a year ago. The most noticeable year-to-year gains occurred in sales of apparel, furniture, and some appliances. Scattered reports indicate that the call for new passenger cars rose appreciably and substantial year-to-year increases were maintained.

The total dollar volume of retail trade in the latest week was 1 to 5% higher than a year ago, according to spot estimates collected by Dun & Bradstreet, Inc. Regional estimates varied from the comparable 1958 levels by the following percentages: Pacific Coast +5 to +9; West North Central +4 to +8; South Atlantic, East South Central, and Mountain +2 to +6; West South Central +1 to +5; Middle Atlantic —1 to +3; East North Central —2 to +2; New England —5 to —1.

Apparel retailers reported marked gains in sales of women's Spring dresses, suits, and sportswear during the week, and volume in Winter coats, accessories, and lingerie was sustained at a high level. There were appreciable year-to-year increases in men's apparel, especially suits and hats. Increased buying of girls' dresses and skirts and boys' jackets and sports shirts boosted over-all volume in children's clothing moderately over a year ago. Retail stocks in some lines of girls' apparel were limited.

A rise in purchases of television sets, radios, lamps, and small electrical housewares offset declines in laundry equipment and refrigerators helping total appliance sales climb slightly over last year. Shoppers stepped up their buying of upholstered living room chairs and bedroom sets holding furniture volume close to the prior week; marked gains over a year ago prevailed. While the call for linens advanced from the prior week, interest in draperies and floor coverings was unchanged.

Food buying heightened this week. Housewives increased their purchases of canned goods, frozen juice concentrates, and poultry.

Nationwide Department Store Sales Up 8%

Department store sales on a country-wide basis as taken from the Federal Reserve Board's Index for the week ended Jan. 31, advanced 8% above the like period last year. In the preceding week, Jan. 24, an increase of 5% was reported. For the four weeks ended Jan. 31 a gain of 6% was registered.

According to the Federal Reserve System department store sales in New York City for the week ended Jan. 31 showed a 4% increase from that of the like period last year. In the preceding week, Jan. 24, an increase of 1% was reported. For the four weeks ended Jan. 31 an increase of 2% was noted over the volume in the corresponding period in 1958.

Securities Salesman's Corner

By JOHN DUTTON

Developing the "Special Situation" Account

During the past few weeks we have discussed the particular type of ultra-sophisticated investor that is interested in obtaining a much larger profit from his speculative activities than the average run of security buyers. This week's column suggests methods of sales procedure after you have met such an individual and have become acquainted on a favorable basis.

Know Your Facts

The investor who has substantial funds for investment in these very special type of situations that involve greater than average risk is going to be a well informed, methodical, practical and experienced business man as well as an investor. He will have at his command many contacts for checking and cross-checking information that comes to him. He will have good legal advice. He will have had background in meeting with and evaluating many salesmen and promoters who have come to him over the years, and you can be certain that when he meets you he will instinctively size you up. He will judge your candor, your general background, the way you present your proposition, the way you handle your facts.

This man is not going to give any salesman his time unless he believes that salesman has contacts, connections, and a firm behind him that can come up with an occasional meritorious proposal for investment that will be sufficiently interesting to him to investigate it. So number one know your facts, have a background knowledge of the securities markets, the general economic situation, and don't show this man anything unless it offers a real basis for favorable action on his part.

Be Restrained

Overselling is not indicated in any phase of security salesmanship. If you are attempting to do business with this type of investor, who can place several hundred thousand to several millions in some young company, it is fatal to oversell. Right from the word go, the first time you meet him you must present both sides of your proposition. He will desire both the pros and the cons. He expects to have them placed before him by the salesman who brings any situation to his attention. The preliminary discovery, the original investigation must be made by your firm and the more you know about the unfavorable as well as the favorable factors involved, the better you too will be able to present your proposition. If the possibilities for success were not heavily weighted against those which were unfavorable, you would not be trying to sell the deal.

If there is any field of security salesmanship that calls for a completely objective, analytical, factual approach it is when you are dealing with this type of investor and you have something worthwhile to offer. Generalities, guesses, hunches, overstatements, are out. Unless you have the facts, and the situation looks very promising and you are ready to back the proposal with a substantial offer that will be interesting, wait until you are ready to do this. It is better to wait months or a year until you have something good than try to sell this man something that won't fit. Glamour salesmanship is out here —and if you try it you probably will never have a second chance to show him anything else.

Keep Your Sights High

This is one time when you must think "big." This type of investor will not be interested in picking up small little pieces of many different situations. First of all, he is too busy to keep track of too many small investments. This holds true for the larger investor in general securities as well. It is a mistake to offer any large investor a few hundred shares of anything no matter how attractive it may be. If you can't put a substantial block together, don't offer it. You will show your lack of experience and competence if you do this.

It is better to offer a larger block than you believe your man may be able to buy than to show him something too small. Many times a substantial commitment can come to you from several people rather than from one. Remember the man who deals in large blocks of securities and who trades and operates in the higher echelons of finance also has friends and associates who are only too willing to go along with him. If a situation is promising and your man may only be able to take a part of it; if he likes it that won't stop him. He will acquire some associates and you will still work with him and through him. When you are ready to show him something worthwhile don't let size deter you. He will be annoyed if you underestimate his investment capacity, but you will not risk his displeasure if you overestimate it.

Undue Familiarity Unnecessary

In your relations with the larger investor undue familiarity is not essential to success. If you have the proposition for which he is looking and you can be concise, scrupulously honest in your presentation, completely sold yourself on the possibilities and attractiveness of your proposal, and you have done a complete job of preliminary investigation; make your appointment, set up your conference and lay the facts on the table. These very choice accounts can not be found on every street corner; neither for that matter can situations be uncovered in which they may be interested without considerable effort, however, when you do find this combination, the rewards are high if you can put the right man in touch with the right deal.

R. W. Pressprich & Co. Appoints S. F. Manager

SAN FRANCISCO, Calif.—Gordon Dickinson Williams has been appointed Manager of the San Francisco office, 605 Market Street, of the investment firm of R. W. Pressprich & Co., members of the New York Stock Exchange. Brock Thompson has become associated with the same office.

P. L. Davies Director

Paul L. Davies has been nominated for a director of the Lehman Corporation, New York City.

Timothy F. Allen

Timothy Field Allen passed away at the age of 85. Mr. Allen who had been in the investment business since 1895, was a limited partner in W. E. Burnet & Co., New York.

Two With Kalman & Co.

(Special to The Financial Chronicle)

ST. PAUL, Minn. — Paul A. Lynch and Roger T. Whitney are now affiliated with Kalman & Company, Inc., Endicott Building.

Railroad Securities

Delaware & Hudson

Delaware & Hudson shares have done little marketwise recently. There have been some doubts as to the maintenance of the $2 annual dividend rate. Consolidated 1958 net income amounted to only $1.62 a share as compared with $4.45 a share in 1957. However, 1959 prospects indicate that the dividend rate will be maintained.

Earnings of the railroad subsidiary are expected to show improvements this year. For example, iron ore shipments, which are an important traffic item, are expected to increase. Other traffic can be anticipated to be stimulated by the rising economy, and consequently favorable carloading comparisons are looked for in coming months.

Last year, railroad operations were able to carry 13.3% of every revenue dollar down to pretax net, despite the drop in general business. In view of this showing, D. & H. should have little difficulty in bringing down higher gross revenues to net. Another important factor would be an increase in normal per diem credits to around $1,000,000 annually, which would add some $1 a share before taxes.

The outlook for the coal company subsidiary remains clouded. Hudson Coal is faced with lack of export demand and further loss of its Canadian shipments. The company also has been faced with a large increase in wages which became effective on Feb. 1. Losses of the coal company last year rose to $683,000 from $488,000 in 1957. Output last year totaled only 1,800,000 tons mined as compared with 2,200,000 tons in 1957. However, the coal company continues as a source of traffic and generates cash.

In view of improved traffic and better operations by the coal company, it is possible that earnings of D. & H. could recover to above $3 a share this year.

Delaware & Hudson continues to be in a strong financial condition. As of Nov. 30, 1958, cash and cash equivalents amounted to $22,400,000 and current liabilities were only $13,000,000. Net working capital aggregated $22,600,000, which is approximately one-third of gross revenues, an exceptionally high amount.

Continued from page 3

Common Stocks and Inflation

necessary to extend maturities a safe distance into the future.

Labor power exceeds all other powers, and goes on almost unchecked. Raise after raise is forced through without much consideration of productivity, and contract after contract contains clauses providing for automatic increases if there is a rise in the cost of living — truly a perfect example of how to make rampaging inflation a certainty.

A wild stock market attests to the fact that the public aims to protect itself. A sick bond market serves as further proof that the public does not intend to be caught holding the bag of government deficits.

Even responsible men are heard to say that the only way out is to wash the government's debt and all its financial obligations down a common sewer of inflation. For the government is now reaching the point where it must either reduce benefit money (which is not politically expedient) or tax up to budget needs (which is not economically feasible) or finance deficits through the commercial banks (which will flood the country with worthless money).

So, the argument goes, buy common stocks to protect yourself, because everything points to far more inflation in the future.

Curiously enough, proponents of this argument assume that inflation in the future will progress **indefinitely**, at a moderate rate, and that corporate profits will rise correspondingly. In other words, they seem to reject the idea that moderate inflation might ever become rampant inflation and that under rampant inflation profits might shrink.

In addition to assuming that moderate inflation will continue forever into the future, there is an apparant trust in the belief that stocks will forever prove a good hedge against inflation. One never runs across the idea (except among a few investment counselors) that under conditions of rampant inflation, common stocks may prove a doubtful hedge.

A Critical View of the Foregoing Argument

If half the previously outlined portents come to pass, it is illogical to assume that their occurrence will usher in another quarter century of profitable business under conditions of moderate inflation. The very legitimacy of present day fears concerning continuing inflation is inherent in the conclusion that unless such trends are checked, the results will eventually prove disastrous.

The Achilles' heel of the "moderate inflationist's" argument centers around these two unlikelihoods: (1) That moderate inflation will continue forever and not at some time become serious rampant inflation, and (2) That corporate profits will always be able to keep pace with whatever inflation we have.

Moderate inflation is a fair bet for the next five or six years or until such time as it takes us to work off our present industrial productive over-capacity. But beyond that point it is a poor possibility — unless we have a radical change in government. Ordinarily, it would be a fair bet to presuppose that corporate profits would keep pace with moderate inflation but this seems unlikely now. The 86th Congress is heavily weighted with anti-profit politicians. In the 1960 elections we may experience an even stronger trend in this direction. Business is in for restrictions and persecution—not freedom and encouragement. How can profits increase much in such an atmosphere?

Why Rampant Inflation?

The typical investor has placed great reliance upon our government's ability to produce and control a nice, respectable, prosperous, non-inflammable, continuous inflation of about 3% per annum *ad infinitum*. One might as well have hopes of achieving the permanent status of a 3% dope addict or 3% prostitute or 3% liar. This is preposterous reasoning, but it has given birth to a devilishly contagious idea of unequaled popularity.

This belief is wicked, conceived as it is in immorality (cheating savers). It is dangerous, for under fundamentally deflationary conditions it may work well for years, leading a people to believe it will work forever. It is preposterous because it assumes that a little inflation, however long compounded, will not cause trouble. It is unrealistic in that it presupposes that once a government starts with a 3% inflation it will stop at that point. Page the ghost of John Law.

Inflation is a form of mass robbery perpetrated against the best element in all society — the hard working, frugal, self-supporting, trusting person. In order that great sums may be quietly swindled from such people the element of trust must be highly developed. Once the populace is wise to the fact that government-induced inflation is a weapon aimed at those who will work, sacrifice and invest, trust evaporates and the jig is up.

The public adjusts. Liquid savings are withdrawn and used. Current income is spent immediately. Each commitment is measured against one socially vicious standard, namely its ability to stand up under withering inflation. The public ceases to believe in the integrity of its government. There then follows, in about this order, and extravagantly wild business boom accompanied by soaring prices and wages, government controls, serious financial difficulties and capital shortages, economic stagnation, and lastly, a fearsome political vacuum.

At this moment we should be bumping against the outer fringes of a tornado-like inflation vortex, were it not for the fact that our productive capacity is possibly 25% above present demand. It is this situation which has retarded rampant inflation, and has prevented the current flight from the dollar in the stock market from spreading throughout all areas of our economic life.

What happens when the life of this insulator expires and business is no longer plagued with over-capacity?

The answer appears to be rampant inflation, for these reasons:

We cannot expect much financial restraint from Washington. For years the politicians have been practicing government-induced inflation without causing galloping inflation—how can we expect them to know they are at the end of the rope? They will continue as in the past, but just about every other element in the tragedy will change.

Business will have to pass on increased costs, causing sharp price increases. These will lead to government controls, which in turn will generate shortages leading to even higher prices and more wage increases. Controls will then force business to cut back on production in an effort to minimize losses. As this process is developing an inventory boom will set in coupled with heavy consumer spending as the public stocks up. Another flight from the dollar will have begun.

When rampant inflation sets in there will be signs aplenty to aid in its identity. Money will pour into land, inventories, gold, gems, objects of art, commodities, consumer durables and non-durables alike. Money will be withdrawn from financial institutions and spent, insurance cashed in, pay checks spent at once.

In this way moderate inflation will end and rampant inflation will begin. For these reasons the idea of an indefinitely continuing moderate inflation is rejected.

Recapitulation

The summary of this article is presented in the form of an outline of probable future events, arranged in the order of anticipated occurrence. History will prove that timing and sequence are often faulty, also that some scheduled events never come to pass, while other, more important, matters take place which are not even mentioned in this outline. The author's object is not to outdo Nostradamus but rather to set forth in an unmistakable way, and without resorting to sickening double-talk, the probable flow of events, **if our government fails to stop inflation.**

PERIOD I: 1959-1965
Excess Productive Capacity Checks Inflation

(1) Rampant inflation is forestalled because of keen competition arising from excess industrial capacity; so moderate inflation continues for a few more years.

(2) Government is able to continue large scale deficit financing (thanks to productive over-capacity) without causing explosive inflation. In like manner, the full effect of wage increases is not felt.

(3) As time goes on and the gap between productive capacity and demand narrows; inflation grows stronger.

(4) Late in this period the attempts of business to pass on increased costs lead to restrictive legislation and price controls.

(5) The profits squeeze gets so bad and stockholders so disappointed, that common stocks lose popularity and prices fall.

(6) The early part of this period will offer the best opportunity to stock up on consumer durables, land and gold—before the onset of rampant inflation.

(7) As this period draws to an end, demand exceeds supply, black markets begin to take shape, land becomes difficult to buy, price of gold advances sharply.

PERIOD II: 1965-1975
Inflation Becomes Rampant

(1) Government persecution of business (as a policy aimed at checking inflation) fails, because it results in shortages of goods.

(2) Unemployment increases as businessmen cut back on production in an effort to minimize losses. Labor calls for nationalization of industry.

(3) Government deficits prove explosive, causing an immediate skyrocketing of prices.

(4) Cheap money policy collapses as interest rates soar.

(5) Stocks go wild. Rumors prove an unbelievable force. Some stocks double in price in a week; others collapse in a day.

(6) Public spends all funds immediately; saving ceases; insurance industry is crippled.

(7) Land prices go out of sight. Gold sells for more than $100 an ounce.

(8) Public now seeks hedges that may be hidden, as fear of property confiscation intensifies.

(9) Power of military grows.

PERIOD III: 1975-1985
Government Crisis

(1) All debts and obligations of the Federal Government are substantially repudiated.

(2) Those who have received government checks for years are now neglected and forgotten.

(3) A great hunt for scapegoats is hard on New Deal politicians.

(4) Barter flourishes.

(5) The whole nation is torn by strife, as totalitarian forces seek to gain control of the U. S. A.

(6) A poor, tired public will settle for almost any change promising to bring law and order, and favors the military taking over.

(7) People in cities suffer greatly.

(8) Victory by communistic forces will mean an end to all property rights, and may lead to our slavery.

(9) Victory by Fascist forces may lead to an attack by Russia.

(10) First major act of the new government will be to crush labor unions.

Business Man's Bookshelf

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ual of Position Descriptions—American Management Association, 1515 Broadway, New York 36, N. Y., $9.00.

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Extraordinary Popular Delusions and the Madness of Crowds—Charles Mackey, with a foreward by Bernard Baruch—L. C. Page & Co., Dept. 16, 101 Fifth Avenue, New York, N. Y., $7.00.

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Voluntary Health Insurance Among the Aged—Health Information Foundation, 420 Lexington Avenue, New York 17, N. Y.

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Winston Churchill's Anti-Depression Proposal — William E. Clement—Public Revenue Education Council, 705 Olive Street, St. Louis, Mo., $4.25.

With Edw. D. Jones

(Special to THE FINANCIAL CHRONICLE)

ST. LOUIS, Mo. — Walter F. Griesedieck has become affiliated with Edward D. Jones & Co., 300 North Fourth Street, members of the New York and Midwest Stock Exchanges.

Rejoins King Merritt Co.

(Special to THE FINANCIAL CHRONICLE)

ST. LOUIS, Mo. — Harry A. Siemers has rejoined King Merritt & Co., Inc. He has recently been associated with Reinholdt & Gardner and Fusz-Schmelzle & Co., Inc.

Yates, Heitner Adds

(Special to THE FINANCIAL CHRONICLE)

ST. LOUIS, Mo.—Lawrence T. Drebes has been added to the staff of Yates, Heitner & Woods, Paul Brown Building, members of the New York and Midwest Stock Exchanges. He was previously with G. H. Walker & Co.

Joins Morrison Staff

(Special to THE FINANCIAL CHRONICLE)

CHARLOTTE, N. C. — Jacob Rhodes has joined the staff of Morrison and Company, Liberty Life Building.

With Merrill Lynch

(Special to THE FINANCIAL CHRONICLE)

AKRON, Ohio—Glenn L. Wilson is now with Merrill Lynch, Pierce, Fenner & Smith Incorporated, First National Tower.

Bache Adds to Staff

(Special to THE FINANCIAL CHRONICLE)

CINCINNATI, Ohio — Peter P. Huff has been added to the staff of Bache & Co., Dixie Terminal Building.

With Westheimer Co.

(Special to THE FINANCIAL CHRONICLE)

CINCINNATI, Ohio — Fred C. Beaver is with Westheimer and Company, 322 Walnut Street, members of the New York and Cincinnati Stock Exchanges.

Merrill, Turben Adds

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio — William M. Caves has been added to the staff of Merrill, Turben & Co., Inc., Union Commerce Building, members of the New York and Midwest Stock Exchanges.

Joins First Columbus

(Special to THE FINANCIAL CHRONICLE)

COLUMBUS, Ohio—Herbert H. Brune, Jr., has joined the staff of First Columbus Corp., 42 East Gay Street.

Three With Midland Inv.

(Special to THE FINANCIAL CHRONICLE)

COLUMBUS, Ohio—William C. Jaeger, Gilbert Moody and Tom P. Wuichet are now associated with Midland Investors Company, 52 East Gay Street.

Fairman Adds Three

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Donald R. Ashton, Louis Dinsfriend and Billie A. Steen are now connected with Fairman & Co., 210 West Seventh Street, members of the Pacific Coast Stock Exchange.

Continued from first page

Recession and Recovery and Maximum Economic Growth

preceding economic recessions. Even while the Committee's Hearings were going on, some were beginning to view the outlook more optimistically. In January, corporations, taking advantage of easier conditions and lower interest costs in financial markets, were offering an increasing volume of new issues in anticipation of future needs for funds, and to refund shorter-term debt. State and local governments were bringing to market bond issues that were deferred earlier, and were stepping up the pace of bond offerings to provide for public works.

Farmers continued to foresee favorable output and price conditions in agriculture and were bidding up further the prices of farm land. Bankers, with slackened customer demand for credit and with strengthened reserve positions, were bidding more aggressively for assets. By February, bankers were accelerating expansion of the assets and deposits of their institutions, thus increasing more rapidly the economy's stock of cash balances and raising its overall liquidity.

Within a matter of weeks following last year's hearings, personal income and consumer spending had ceased to decline and, in fact, showed modest recovery. Production and employment soon after resumed an upward trend. Whether these developments, though encouraging, foreshadowed wide revival in activity was not known at the time; not until the June-July period did the current flow of information and reports provide substantial confirmation that general economic recovery was actually under way.

From that stage on, currently available data, reflecting trends in markets, production, and employment, showed that recovery was both broadly based and vigorous. Pickup in employment, however, lagged behind that of output as is usual in early phases of cyclical upswing. At the year end, eight months after recovery set in, the level of total output in the economy approximated that prevailing at the output peak of 1957.

Recovery has been so rapid and widespread as to indicate that the revival phase of the economic cycle has by this time probably run its course. The economy has reattained its prerecession level and now appears to be entering a phase of resumed economic growth.

Federal Reserve Action to Combat Recession

This brief review of changing levels of economic activity during 1958 provides a backdrop for specific comments about Federal Reserve policy and action over the past 16-month period of recession and recovery.

As reported last year, Federal Reserve policy began to shift in a counter-recession direction in late October and early November of 1957. About that time, the system directed its open market operations to supplying reserves more liberally to the banking system. It also reduced the discount rates on member bank borrowings from the Reserve Banks. As the stream of factual information verified the emergence of recessionary trends, Federal Reserve actions and policies became more aggressive and discount rate, open market, and reserve requirement instruments were actively applied in complementary fashion to foster ease in credit markets and encourage bank credit and monetary expansion.

From late Fall 1957 through April 1958, there were four reductions in Federal Reserve Bank discount rates, from 3½% to 1¾%. Through continuing open market operations from late Fall of 1957 to early last Summer, the Reserve System supplied the commercial banks with some $2 billion of reserve funds. Through three successive reserve requirement reductions in late Winter and early Spring of last year, the system released for the use of member banks about $1.5 billion of their required reserves.

The total amount of reserve funds supplied by the system to commercial banks over the nine months, November 1957-July 1958, was enough to enable member banks to reduce their discounts at the Reserve Banks from $800 million to about $100,000,000 to offset sales of gold to foreign countries amounting to about $1.5 billion, and to finance a commercial bank credit expansion of almost $8 billion. Monetary expansion from February through July stimulated by this Federal Reserve action was at an exceptionally rapid rate—at an annual rate of 13% for all deposits, including time and demand deposits. For the active money supply; that is, demand deposits and currency seasonally adjusted, the rise was at an annual rate of 8%. After the shift in Federal Reserve policy in the Summer, expansion in the active money supply slackened. and for the year as a whole it amounted to about 3½%.

Broader Effects of Monetary Action

Although the immediate impact of Federal Reserve policy was on commercial banks, it clearly had broader effects upon the economy generally. For one thing, since commercial banks are direct participants in some degree in all important credit markets, expansion in bank lending and investing activities intensified competition among all lenders for the acquisition of the available supply of credit-worthy loans and securities. This worked to reduce the cost of financing to borrowers generally — businesses, farmers, consumers and home buyers, and all levels of government. It also widened access of all potential borrowers to credit funds.

Another effect of the credit ease was a greater willingness on the part of banks and other lenders to make new loans to business customers and to renew outstanding credits. This facilitated the orderly run-off of excess business inventories accumulated in the preceding boom. It also furthered the completion of business programs of plant and equipment expansion begun in that period. With a $6 billion reduction in business inventory holdings and a significant cutback in fixed investment programs since recession began, it is perhaps remarkable that business loans outstanding declined only $1½ billion in the year ending September, 1958. The ability of businesses to maintain their bank borrowing and also to borrow more readily in capital markets not only cushioned downward pressures on investment spending but helped many companies to minimize cutbacks in their working force and payrolls, to maintain dividends, and to strengthen liquidity positions.

In housing markets, the easier conditions broadened the availability of mortgage funds. Discounts were reduced on FHA and VA mortgages subject to ceiling interest rates, and interest rates on new conventional mortgages also fell. As bank credit expansion gained in momentum, banks participated in mortgage investment more actively than at any time since the boom housing year of 1955. The increased availability of mortgage funds at lower cost, together with the maintenance of personal income, was promptly reflected in a step-up of builder activity in constructing new houses.

In the consumer instalment credit area, the increased availability of funds made it possible for lenders to meet sound demands for credit more readily, thus bolstering lagging demand for consumer durable goods. On some transactions, terms were eased and, in addition, new credit plans were developed and extended. Easier credit conditions permitted lenders to be more liberal in granting renewals and extensions of time for repayment of outstanding credit. Thus, the volume of repossessions and credit losses was less than would otherwise have been the case, with benefits to both borrowers and lenders.

Increased availability of funds also had an important impact on State and local government financing and spending. In many cases, the lower cost of financing encouraged States and municipalities to borrow in order to finance capital projects. In a few cases, lower market rates enabled local governments that had a legal ceiling on permissible interest rates to return to the market. The increase in spending by State and local governments from the summer of 1957 to the summer of 1958 was $1 billion more than in the corresponding period of the preceding year.

These observable effects of easier monetary conditions which developed from efforts to combat recession were, of course, important and salutary. They are not to be overly stressed, however, for monetary action is always only one element in Government counter-recession policy. In turn, Government policy is always only one element in the total economic scene. Businesses, individuals, and State and local governments, in the light of their own circumstances, were taking actions to adjust and adapt their situations and to redirect their energies. Their actions undoubtedly shaped the recovery and gave it momentum.

Changing Expectations

Achievement of monetary ease to combat recession so promptly and amply was not without its problems. One of the most acute was the build-up of prices in the bond market as speculators counted on continuing business recession, credit ease, and still higher bond prices. Psychological reactions and expectations always play a role in swings in economic and financial developments, but were of particular importance in financial markets last summer as the economic outlook changed from one of a continuing recession to one of early, vigorous recovery.

At that time, the improved economic outlook led to a sharp change in expectations in regard to renewed inflationary pressures and a turnabout in the trend of interest rates. A much larger Federal deficit loomed up than had been estimated, as well as the crisis and threat of military action in the Middle East. Concern about the drain of gold from the nation's monetary reserves through sales of gold to the industrial nations of Europe was a further cause of uncertainty. The fact that the Canadian Government announced a major refunding operation at sharply higher interest rates was also a complicating factor.

In these circumstances, heavy market sales by holders of U. S. Government securities in anticipation of higher interest rates sharply depressed bond prices. Initially, this selling stemmed from temporary holders who had bought in anticipation of a continued rise in Government security prices. Some of these holdings had been acquired with funds borrowed on thin margins in connection with the Treasury's June financing operations. In many cases, selling was forced because the margins vanished as security prices declined.

Prices of Government securities continued to decline under pressure of steady liquidation and the reluctance of investors to purchase market offerings in view of changed prospects for credit demands and inflationary threats. On July 18, the Federal Open Market Committee concluded that the market situation had become disorderly and decided to intervene temporarily in the medium- and long-term sectors of the Government securities market. This action was within the framework of the Committee's established operating rules. From July 18 to July 23 the System purchased $1.2 billion of securities involved in a Treasury refinancing and a small amount of other notes and bonds.

Thereafter, as market conditions became more orderly, no further Federal Reserve open market transactions were effected outside the usual area of short-term Government securities. During late July and early August, sales of Treasury bills by the System together with other factors that absorb reserves more than offset the large volume of reserves supplied to the market by Federal Reserve intervention in the Government bond market.

Shift in Federal Reserve Policy

By this time; there was clear evidence in current statistics that recovery in economic activity and production, though not yet in employment, had gained considerable momentum and was likely to go forward without serious setback. Moreover, in view of the strength of consumer demand, further decline in business inventory holdings and capital outlays was no longer likely. Monetary policy was now reinforcing the existing foundation of productive activity and preparing the economy for a new advance.

About this time, inflationary expectations began to spread. The abrupt upward shift of interest levels in central money markets, while precipitated by liquidation of speculative positions in government securities, reflected investor demand for an interest premium to cover the risk of a depreciating purchasing power of invested funds. It was accompanied by a significant shift in investor allocation of newly available funds to common stocks instead of fixed interest obligations, with hedging against inflation a frequent explanation of the change in investor policy. Large current and prospective demands for credit by the Federal Government, State and local government, and home purchasers, also influenced the rising cost of borrowed funds. In the stock market, the volume of trading was expanding rapidly and the rise in stock prices carried the yields on common stocks below the yields on bonds of the same companies.

Developments in our financial markets, as well as the very large deficit which the Federal Government was facing, were occasioning concern, abroad as well as at home, about the future of the dollar. The extent of concern among foreign financial leaders was clearly evident last Fall at the annual meeting of the International Bank and Monetary Fund at New Delhi, India.

In the light of the rapidly changing economic situation, in many ways highly encouraging but with inflationary and speculative psychology spreading, the Federal Reserve, during the Summer, began to moderate the policy of credit ease with a view to tempering the rate of bank credit and monetary expansion.

System open market operations after midsummer supplied only a portion of the reserves needed to meet rising credit demands and to offset the reserve drain of a continued gold outflow. As a result, member banks were obliged to draw down their excess reserves and to increase their borrowings from the Federal Reserve Banks. Such borrowing was made more costly when Reserve Bank discount rates were raised in the late Summer from 1¾% to 2%, and at mid-fall when they were again raised to a level of 2½%.

Since last Summer, bank credit and the money supply have continued to expand but at a rate much reduced from earlier in the year. Some seasonal expansion in business loans was supplemented by a rapid growth of real estate loans. On the other hand, bank holdings of short-term U. S. Government securities rose only moderately despite a substantial increase in their supply to finance the Treasury's deficit. With business sales and liquidity showing rapid rise, the higher interest rates that developed in the market helped to attract a substantial volume of funds of nonbank investors, especially business corporations, into the purchase of the new short-term Treasury issues. As a consequence, the Treasury was able to finance most of its deficit outside the banking system, and at the same time banks were able to meet private credit demands accompanying economic recovery, with only a moderate further growth in total bank credit and money.

Regulation of Margin Requirements

In addition to its broader monetary responsibilities, the Federal Reserve is directed by law to prescribe margin requirements to guard against excessive use of credit for purchasing or carrying stock market securities. By providing a means of dealing directly with this volatile type of credit, margin requirements serve as a special-purpose supplement to the general instruments of Federal Reserve action. Since the flow of credit into the stock market fluctuates with general business conditions, changes in margin requirements are usually correlated with policy actions that affect general credit availability.

Following the stock market decline in the early Fall of 1957, total credit to customers for purchasing and carrying stock market securities declined by about 5% and was back to about the level outstanding in mid-1955. With this indication of abatement of credit use in the stock market, the Board of Governors, early in January 1958, reduced the required margin from 70 to 50%.

With the increasing activity and rise in stock prices accompanying economic recovery, stock market credit rose sharply, reaching by July a level about 20% above the volume at the beginning of the year. In view of the rapid rise in credit to finance trading in or temporary ownership of stocks and the emerging investment psychology favoring purchase of stocks as an inflation hedge, the Board, early last August, restored the required margin to 70%. As outstanding stock market credit continued to rise following this action, the Board, in mid-October, raised the required margin to 90%.

The Current Situation

The shift in monetary policy during the Fall aligned monetary expansion more closely with the developing potential of the economy. Consumer spending on durable goods and housing continued to expand and was reflected in high levels of output of household durables, in a pickup in production of 1959 autos, and in a rise in new housing starts to one of the highest levels in recent years. Business inventory policies were

switching from liquidation towards accumulation, and there was a widespread, though small, upturn in capital expenditures. At the same time, Federal, as well as state and local government spending, was expanding rapidly in accordance with budgetary authorizations adopted earlier.

In financial markets moderate curtailment of credit availability and higher interest rates served to dampen speculative excesses then developing, to restrain and spread out the volume of new corporate and municipal security financing, and to facilitate the financing of the large Federal deficit outside the banking system. The restraint of corporate and municipal security financing followed some anticipatory borrowing by these issuers earlier in the year when long-term interest rates were lower. At the turn of the year, business capital financing was again rising, and there was a large calendar of authorized but unissued state and local government securities.

Total economic activity, measured in real terms, has regained its earlier peak. The active money supply has increased by about 2½% above the prerecession level, and holdings of other liquid assets, including time deposits, are up sharply. The financial basis for further growth is established. While economic prospects are generally favorable, there are several areas — unemployment, exports, prices, and Federal finance that are matters for continuing concern.

Despite the rapid recovery in production and sales, unemployment remains disquietingly high. The lag in employment is in part the result of a marked increase in productivity. The present availability of capital and manpower resources represents a potential for near-term growth of the economy without inflation. As output of goods and services expands in response to growing demands, opportunities for employment should increase as they have in past periods of economic expansion.

In exports, which declined sharply until early last year, recovery has not yet set in. The export decline was largely in materials and fuels and was due in part to the ending of boom conditions abroad; resumption of economic expansion is now beginning in industrial countries abroad and eventually there should be some improvement in foreign demand for our exports. It is significant, however, that the European countries which announced a broader convertibility for their currencies at the end of 1958 — and other countries too—are giving our exports of manufactures stiff competition in price and quality, and these countries are now able to devote a larger share of their resources to their own exports than they could in earlier postwar years. While this reflects progress towards international balance, our producers need to adjust to these competitive forces abroad if they are to share in growing world markets.

Prospects for our international payments position thus merge with the third problem; that is, our price system. A market economy such as ours depends upon the price mechanism to allocate resources by reflecting the interplay of demand and supply. The price mechanism cannot do its job of efficient resource allocation in accordance with the changing demands of consumers unless there is some flexibility in individual prices. This does not mean that wide swings in the general price level are desirable. The price paid by Smith represents the income of Jones. But there is cause for concern when, in spite of a decline in the demand for his product, Jones raises his price, and an opportunity to stimulate both output and employment is thwarted. This is particularly disturbing when it comes on top of a price rise that Jones made when the demand for his product increased. Such a one-way movement of prices—whether it is explained as demand-pull, cost-push, or both—is not compatible with an efficient market system. If it were to be continued, it would pose a serious threat to the otherwise favorable prospects for healthy growth in consumption and production.

Now as to Federal finances, it is essential at this stage of the economic cycle that the Government should attain a balanced budget and then achieve some surplus as economic advance continues. Whatever the desirable level of expenditures, deficits, while justified in time of recession, should be avoided when the economy is at a high level of activity.

It is also of vital importance to have a healthy, broad-based Government securities market that enables the Treasury to lodge its debt outside the banking system. In other words, the Treasury must be able to compete effectively and flexibly with other borrowers for the available supply of savings.

Appropriate debt management policies, while contributing to financial stability, are in turn dependent on such stability. Investors cannot be induced to purchase fixed income securities if they fear a steady erosion of the purchasing power of the dollar.

The banking system has an important role to play in aiding the Treasury's financing. This role involves assistance in the broad distribution of securities and, in accordance with the volume of reserves made available and the meeting of essential private credit demands, the retention by banks of that portion of the Government debt that is consistent with stability of the dollar. Resort to financing Government deficits through the banking system entails the creation of new supplies of money rather than the use of existing funds. In a period of high economic activity, this is a high road to monetary inflation. There can be no effective control of inflation if the banking system is made the major source of funds to finance government deficits.

Government Policies and Economic Growth

As the United States economy emerges from the recession of 1957-58, it seems likely, if past experience is a guide, that we are on the threshold of a new period of economic growth. This is an opportune occasion, therefore, to consider the question of appropriate public and private policies to foster steady expansion of the economy.

Economic growth is a principal objective of governmental policy in every country of the world. The rate of growth is widely accepted as an indicator of the performance of an economy. A word of caution is in order, however, regarding the very difficult task of measuring growth. Growth measurements, particularly when they cover long periods of time and comparisons of one country with another, are necessarily approximations. They vary with a host of factors, including the scope of activities covered, both public and private; the character of such activities; quality as contrasted to quantity of output; and many others. Nevertheless, regardless of these measurement difficulties, growth estimates, properly constructed and interpreted, can be useful aids in appraising economic performance.

Desirable economic growth goes beyond increases in line with a growing population and labor force. It involves a rate that makes possible rising living standards through increasing consumption per capita for present and future generations. This requires increasing output per worker; that is, higher productivity through advancing technology.

In our economy, consumption takes the form mainly of consumer purchases of the goods and services supplied in free markets by private producers and merchants. Our living standards also encompass services provided by the various levels of government. Fundamentally, economic growth at a more rapid rate than population increase is the response of men to their ever-increasing wants.

Among the other reasons for seeking economic growth is the importance of demonstrating to the world that free economies under democratic political systems can outperform regimented economies under dictatorial political systems in providing high and rising living standards for all of the people.

Economic progress, however, cannot be measured merely by percentage increases in the quantity of output. Also at stake is the opportunity to live as free men, the responsiveness of the productive system to the desires and tastes of consumers, the quality of goods and services, the degree of leisure and opportunities for using it in a satisfying way, and our willingness to aid other nations seeking similar advantages. These aspects of our economic performance will have a great influence on how the rest of the world judges the merits of free versus regimented economies.

Economic Growth Without Inflation

When we consider the influence of governmental policies on economic growth, it is useful to distinguish between two related aspects of the process. First, growth involves expanding capacity to produce goods and services. Second, it involves expanding demands for goods and services at a rate sufficient to utilize the expanded capacity.

The first aspect of growth—an expanding output potential—depends upon such basic factors as additions to the labor force, advancing technology, and a flow of savings combined with a desire and ability on the part of producers to use them in the creation of a growing stock of modern plant and equipment. The other aspect of growth depends upon a balanced expansion in demands for final product by the major sectors of the economy—households, businesses, governments at the State and local as well as the Federal level, and demands from abroad.

For growth to be sustainable, an equilibrium between these two sides of growth must be maintained. If total demands do not keep up with the output potential, overall growth will slacken, for the inducement to business to add to productive capacity will lessen. If total demands tend to run ahead of the output potential, the general price level will begin to rise and this, in turn, will have an adverse impact both on growth of demands and on means of financing increased and improved capacity. It will also have adverse effects on the efficiency with which resources are utilized; likewise, the equity or fairness with which final products are distributed in markets among consumers, businesses, and savers.

What then is the function of monetary policy in relation to these two aspects of growth? In general, it is to attempt to provide credit and monetary resources and an atmosphere in financial markets conducive to the basic growth factors. At the same time, aggregate demand for goods and services should expand in close relation to the capacity to produce.

On the demand side, growth basically depends on spending out of incomes earned in the production of goods and supplying of services. Monetary policy facilitates the expansion of money holdings, through sound credit expansion, consistent with the growing capacity of the economy to produce without inflation.

On the supply side, basic growth factors are the labor force, technology, and investment of savings. Growth of the labor force is to some extent influenced by overall demands, but more generally by population growth, age distribution, and social customs. Technological progress and the desire to save and invest savings productively are influenced by the monetary environment. An atmosphere of price and financial stability in general is necessary both to the incentive to save and to rapid technological advance. Thus, through continuous efforts to safeguard the value of the dollar and to create a climate of financial stability in which savers can have confidence in the future value of their investments, monetary policy makes a contribution to economic growth quite apart from its influence on demands for goods and services.

It is for these reasons that price and financial stability is essential to the achievement of maximum economic growth. We have had a fairly good growth record over our history, but we have had too much instability in our levels of employment and prices. A major problem is to moderate this instability so that the losses in employment and output of recession periods will not depress our longer-term rate of growth. Currently there is widespread concern about the danger of renewal of inflationary trends. The Federal Reserve shares that concern. To point to dangers in this situation is not to forecast inflation. Public and private actions appropriate to present circumstances can prevent these dangers from materializing.

Among potential inflationary factors first, perhaps foremost, is the budgetary position of the Federal Government. As the economy moves up toward more intensive utilization of its productive resources, it is essential that deficits give way to surpluses. There is no mystery about this source of danger. If the will exists, the way will be found. It clearly lies in adaptation of Federal expenditure and tax policies in order to produce a budgetary surplus in prosperous times.

Second, there are the problems arising from the so-called cost-push inflation which is part of a spiral process stimulated by demand pressures. In the period ahead there is a strong prospect that demands will continue to expand. In these circumstances, we must recognize the dangers both of wage increases in excess of productivity growth and of price increases beyond what the traffic will bear. Business and labor leaders have a paramount responsibility to the general public as they make wage and price decisions over the coming year.

Then there is the easy acceptance of the idea that a little inflation is not seriously harmful. The experience in the government bond market, to which I alluded, is a vivid example of the influence of inflationary expectations in financial markets. To the extent that such attitudes come to be reflected in decisions on wages, prices, consumption, and investment, they help to bring about their own realization.

These are the major reasons for concern about the possible development of inflationary pressures. To be fully aware of a danger, and to face up to it, is not to despair or to capitulate, nor does it mean being blind to other national needs, including sustained economic growth.

The Federal Reserve System will continue to the best of its ability to contribute, so far as it can, to continuing prosperity and economic growth, without inflation. Such decisions as it must make within its particular province manifestly are not enough to assure attainment of the national objectives to which we all subscribe. What this Congress decides, what management, labor, agriculture and, indeed, the public generally decide to do will win or lose the battle against debasement of the currency with all of its perils to free institutions.

The state of the nation tomorrow —its progress and prosperity— rests with the decisions of today.

M. G. Kletz & Co. Offers Wenwood Stock at $3

Michael G. Kletz & Co. Inc., of New York City, on Feb. 3 offered 100,000 shares of common stock (par 25 cents) of Wenwood Organizations Inc., at $3 per share. The offering, which was made as a speculation, has been completed.

The Wenwood company was organized on July 15, 1958 in Delaware and maintains business offices at 62 Third Avenue, Mineola, L. I., N. Y., and 526 North Washington Boulevard (Route 301) Sarasota, Fla. The company has also been qualified to do business in the States of Florida and New York. It is engaged in the business of buying and selling land, and building houses, apartment houses and commercial properties for its own account.

The net proceeds from the sale of these securities will be used for additional working capital.

Giving effect to the new financing, the company will have 409,600 shares of common stock outstanding, out of an authorized issue of 2,000,000 shares.

McMullen & Hard Admit

On Feb. 15 Dan Drewry McMullen will be admitted to partnership in McMullen & Hard, 120 Broadway, New York City, members of the New York Stock Exchange.

New Burnham Branch

NEW HAVEN, Conn.—Burnham & Company has opened a branch office at 205 Orange Street, under the management of Isadore Hyman, assisted by Richard J. Hyman.

New Paine, Webber Branch

SAN FRANCISCO, Cal.—Paine, Webber, Jackson & Curtis, has opened a branch office at 369 Pine Street, under the management of Louis Nicoud, Jr.

Bruns, Nordeman to Admit

On Feb. 28 Abraham C. Goldberg and Benjamin L. Lubin will become partners in Bruns, Nordeman & Co., 52 Wall Street, New York City, members of the New York Stock Exchange.

With Boettcher & Co.

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo. — Fred C. Larkin has become affiliated with Boettcher and Company, 828 Seventeenth Street, members of the New York Stock Exchange.

Lowell, Murphy Adds

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo.—M. John Bernstein is now affiliated with Lowell, Murphy & Co., Inc., Denver Club Building.

Joins Purvis & Co.

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo.—Steve Z. Nemrava has been added to the staff of Purvis and Company, 1717 Stout Street.

Powell, Johnson Adds

(Special to THE FINANCIAL CHRONICLE)

PASADENA, Calif.—Harold E. Cooke, Eleazer C. Gray, William R. Smith and Le Roy F. Stone are now affiliated with Powell, Johnson & Powell, Inc., Security Bldg.

Continued from first page

Our Fiscal Situation and Its Impact on the Economy

attained in moving out of the recession of 1954, if we adjust the timing of corporate tax payments for comparability. The personal income figure of $374 billion compares with a rate for December, 1958 of $359 billion; the corporate profits assumption of $47 billion for 1959 compares with a rate for the fourth quarter 1958 of $44 billion.

I present these estimates with the full realization that the revenue results for fiscal 1959 will turn out to be substantially less than we originally estimated.

I believe, however, that our assumptions for fiscal 1960 are sound and will turn out much closer to the mark. They are within the range of calculations made by private estimators, and I understand that similar figures have also been mentioned by some of the experts who have testified before the Joint Economic Committee.

Let us now look at our present situation in a broader perspective. We are well along in the recovery from a recession which is now substantially contributing to the largest peacetime deficit in our history—$12.9 billion at present estimates. Of this deficit, about half will result from a shortfall in revenues. The remaining is the result of increases in expenditures over original budgetary estimates.

The drop in revenues in fiscal 1959 is the direct result of the recession. The increase in expenditures reflects for the most part increases that came about automatically or through actions not primarily related to the recession. Among these are the higher cost of the agricultural program because of larger crops, the Federal Government pay increases, higher defense expenditures, and the proposed subscription to the International Monetary Fund. Some $2 billion of spending, chiefly FNMA mortgage purchases, the extension of unemployment benefits, and direct housing loans by the Veterans Administration, represent actions designed to combat the recession.

What conclusions seem to follow from this experience? First, it seems to me that the economy has once more demonstrated remarkable resilience and resistance to recession. This is indicated by the fact that personal income declined very little, and that the recovery set in very quickly. I attribute this good performance to the inherent qualities of our economy, to the confidence and good sense maintained by our people, and to the automatic stabilizers that have become a part of the economy.

Second, I am concerned with the size of the deficit that the recession in large part produced and with its continuation in a period of growing prosperity. A deficit of this magnitude, unless quickly corrected, can produce serious inflationary pressures in the longer run, even though in the short run these pressures are held in check by excess plant capacity and other factors. The extended unemployment benefits proved timely, but the economy turned around before several of the others could have their full budget effect. Meanwhile these expenditures will continue as we move closer to increased prosperity.

Pleased, Taxes Stayed Put

Third, the decision by the Administration and the Congress to avoid a major tax cut last spring has been justified by events. Had we resorted to a tax cut we would not have had this demonstration of the economy's inherent recuperative powers. We would have helped develop a philosophy that tax relief was necessary to pull us out of a downturn. Also, a tax cut would have increased our present deficit and our public debt, and with them the danger of inflationary pressures in the future.

I fear, however, that price pressures may eventually revive, if we do not finally close the budget gap. I sincerely believe that a nation as rich and productive as ours must, in times of prosperity, at least pay its way. We can afford to do all that is necessary, and much that is desirable, and pay for it. But we should not reach for everything at the same time. Even a rich country can get into trouble if it keeps spending beyond what it pays for currently.

Some people seem to feel that to be for meeting current expenses from current revenues means to be "against" or "negative." Let us not be misled. The fact of the matter is there is almost nothing which is more positive and more important to be for than fiscal soundness. This is an essential condition of our economic health, without which we can have neither adequate military security nor the adequate provision of other needed governmental services. Meeting our expenses currently and all that that means in the way of fiscal soundness and a healthy economy is a highly positive objective which deserves the support of everyone.

Growth requires capital formation, through saving and investment. As a consequence, we should meet our expenditures out of current revenues in prosperous times. A Federal deficit financed outside the banks tends to absorb resources that could otherwise go into private capital formation. A deficit, during prosperity, which is financed through the banks, in itself of course brings inflationary consequences.

Explains Fear of Deficit

A current deficit and the fear of future deficits can keep people from saving because of possible loss of these savings to inflation. If we ever reach the point where people believe that to speculate is safe but to save is to gamble then we are indeed in trouble.

If rising prices which will follow from continued deficits cut into saving habits, the result will be further to diminish the supply of capital for economic growth. We cannot indefinitely expect people to continue their saving if they expect prices to go on rising indefinitely. Our habits of saving, our financial institutions, our monetary system, must not be jeopardized.

Our needs for capital will increase as our labor force begins to expand more rapidly in the early 60s. This expanding labor force, the result of the high birth rate of the 40s, will give a powerful impetus to the economy. But if job opportunities are to be found, with a rising degree of productivity, investment in plant and equipment will have to advance correspondingly.

Details Consequences Abroad

Finally, orderly finances in our country are a key to maintaining the strength of the free world, and our role in it. Our prestige in the world is not enhanced if we fail to practice what we preach. The world watches us very closely. On my trip to and from New Delhi, for the annual meetings of the International Bank and Monetary Fund, I was impressed to discover how well informed foreign officials are about even the details of our budget.

But more than prestige is at stake here. If we run continuing large deficits in prosperity and so almost inevitably drive up prices, we may price ourselves out of world markets. Aside from the losses that this will mean to us, how are we to discharge our world-wide responsibilities if our internaitonal economic position weakens?

Because we are for sustainable and healthy growth, because we are for increasing job opportunities, because we look to the long run and a possibly long period of world tension, we must be for the maintenance of orderly finances and a stable dollar. I believe that the time to face this issue is now. Americans have faith in their money. That faith is justified. Confidence, if shaken, is hard to re-establish. That is why we must keep our expenditures under control, and the budget in hand.

Answers Specifc Questions

The Joint Economic Committee has asked me to deal with certain questions I would now like to turn to the first three of these. Mr. Charles Gable, who assists Under Secretary Baird and myself in debt management matters will discuss the fourth question, relating to the management of the public debt. [Editor's Note: Mr. Gable's reply is on page 10 of this issue.]

Question 1: What would you regard as the proper division of labor between tax policy and monetary policy as instruments of economic stabilization during the coming year?

Answer: The first consideration of tax policy is, of course, to keep intact the system by which the United States Government raises its revenues to finance the government service that the nation requires.

Tax policy and monetary policy should continue to work closely to foster economic health with stability of prices as our economy grows.

After a deficit of $12.9 billion expected for fiscal year 1959, the President's budget proposes a budget balance for the fiscal year 1960. For quite a few months ahead, the net effect of fiscal policy will still be to stimulate the economy. As prosperity advances, so will our revenues until the deficit is eliminated at a high level of economic activity if spending is under control.

At the income levels projected in the budget, the tax system is expected to produce revenues approximately equal to proposed expenditures in fiscal 1960. If we achieve our objectives there will be no need, consequently, for an increase in taxes.

By eliminating the deficit, tax policy will greatly ease the task of monetary policy. If we fail to keep 1960 expenditures within income, we contribute to inflationary pressures and complicate the problems of monetary management. Tax policy will render additional assistance to monetary policy by avoiding further permanent borrowing by the Treasury in the market. This will also facilitate the Treasury's own job of handling the public debt.

Question 2: Is the present structure of the Federal tax system adequate in light of the nation's economic growth and stability requirements? If not, what changes would you recommend?

Answer: I believe that any tax structure can always be improved. By that I do not mean to say that we cannot live with our present taxes. We certainly can. If new imperative revenue needs should arise, we could live with higher taxes than the present. Ours is the most productive economy in the world and I do not believe that it would be crushed by its tax burdens, if we are reasonable.

We must constantly evaluate in terms of continuing economic growth both elements of tax reform and, when proper, tax reduction. While these are closely related, they are not necessarily identical.

The Treasury has been studying and continues to study various improvements in the tax system and in tax administration. In this we are cooperating, and shall continue to cooperate, with the appropriate committees of Congress. Many of the adjustments under review are of a technical character. Their application depends in many cases on the resolution of administrative difficulties. It depends further on future business conditions and other factors that cannot now be foreseen. As this is a continuing study both in the Treasury and the committees of the Congress, it would be premature to attempt any detailed discussion.

The Committee questions deal also with the relation of taxes to the stability of the economy. I take it that this refers principally to the cushioning effect that declining tax collections can have during a recession. Illustrative of this effect, of course, is the sharp decline in collection of corporate taxes growing out of the recent recession. It also focuses our attention on the fact that deficits may well continue after the economy has moved up and is advancing toward full prosperity. This sort of complex problem deserves, and will have, our continuing study.

The high degree of resilience which our economy has just demonstrated seems to suggest that we should be cautious and analytical in our evaluations and flexible enough, if some future downturn should require it, to be willing to use whatever instrument seems most appropriate to the occasion. In this connection, some advance planning is proper so that the right decisions can be appropriately taken when we are confronted with cyclical movements in our economy.

Question 3: Under what circumstances can we reduce Federal taxes? What are the prospects for realizing these circumstances?

Answer: The circumstances and prospects of tax reduction would first depend very much on future expenditures and the maintenance of our economic growth. Economic growth can be expected to raise our revenues but it will produce no surplus if we do not control expenditures. Unless we spend wisely we will have trouble taking care of such new requirements as may prove really essential.

Next, tax reduction must be weighed against debt reduction out of surplus. I believe that in years of prosperity we should endeavor to achieve some debt reduction. This policy commends itself as an act of fiscal soundness. It would ease the task of monetary policy and the management of the public debt.

Circumstances for a tax reduction would depend further upon the degree to which we can succeed in avoiding inflation. At times of inflationary pressure we should aim at some budget surplus.

I would not now want to prescribe a precise formula or to try to predict a precise time when tax reduction might properly be considered. I have tried to point out the varying factors which would influence our judgment at the time when such a judgment seems to be appropriate.

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Treasury's Financing Views and Debt Management Problem

turbance was very unsettling to the entire market.

It is clear in retrospect that the reversal in bond prices reflected a legitimate change in investor expectations as economic recovery set in. Furthermore, there is no reasoin to believe that speculation had more than a temporary effect in depressing bond prices. But it is true, nevertheless, that the abruptness of the change in the market was accentuated by excessive speculation.

Protection Against Excesses

A recurrence of such activity should be prevented. The general public should be better protected against such excesses. Furthermore, dealers in government securities under such conditions are unable to perform their vital functions of maintaining an orderly and active market for government securities. The Treasury is at present studying this problem and consultations are underway with the Federal Reserve System and with various other groups in the financial markets to see what steps can be taken to restrain undue speculation without at the same time hampering legitimate dealer operations.

Two more factors during the summer added further to an unsettled government bond market. The first of these was the temporary shock of the *coup d'etat* in Iraq. The second was more fundamental — the growing realization on the part of investors throughout the country that the Federal Government was faced with its largest postwar deficit, a factor which was obviously very important in the development of an inflationary psychology during the fall despite the continued stability of commodity prices. As a result largely of this psychology, a buoyant stock market hit new highs and bond prices—for corporates and municipals as well as for governments—hit new lows, thus adding to the cost of borrowing for business and for all levels of government.

Sees Heavy Treasury Financing Ahead

The Treasury's market financing job in 1959 should be smaller in dollar volume than in 1958 — both in terms of refunding and new cash issuance. Nevertheless the 1959 financing schedule is very heavy. We have already raised over $4 billion in new cash in January through the issuance of $0.9 billion of 21-year bonds, $2.7 billion of 16-month notes and $0.6 billion of additional Treasury bills, bringing the debt up to $286 billion by the end of January. Although the entire deficit for fiscal 1959 has been financed and the debt is expected to fall by June 30, the Treasury will nevertheless need additional cash borrowing amounting to an even larger amount than that raised in January between now and the end of the fiscal year to cover retirements of securities coming due. We also will need an amount which we are not yet prepared to estimate to cover the heavy seasonal deficit in July-December 1959 which will occur even with a balanced budget for the fiscal year 1960 as a whole.

The refunding job this year consists not only of a weekly amount of $2 billion or so of Treasury bills which have to be rolled over, but also $15 billion of maturities in Febraury, 4½ billion in May, $13½ billion in August and $9 billion in November. The February refunding, the largest of the year, was announced last Thursday and we have offered holders of the maturing securities a choice between a new 3¾%

certificate maturing Feb. 15, 1960 or a 4% note maturing three years from now, both priced at par. The books on this exchange offering closed last night and we expect to announce preliminary results tomorrow afternoon.

Raise Debt Limit

Sometime before the end of the present fiscal year, the Treasury will ask for new legislation on the debt limit. We are now operating under a temporary debt ceiling of $288 billion. That temporary ceiling will expire on June 30, 1959 at which time the ceiling will revert to the permanent debt limit of $283 billion. With a $285 billion public debt now estimated for June 30 an increase in the permanent debt limit to that amount seems indicated, depending, of course, on the final outcome of the fiscal 1959 budget picture. In addition temporary financing needs will require a substantial increase in the public debt—and in the temporary debt limit—during July-December 1959, even though with a balanced budget this would represent financing which could be repaid during January-June 1960.

The environment in which the Treasury's 1959 financing program will take place will, of course, depend on a great many factors. Perhaps the two most important relate to the progress of the Nation's economic growth and the way in which the Federal Government's fiscal programs are handled.

The rate of economic growth and the extent to which demands for funds exceed available savings will, of course, set the basic environment in terms of interest rates and credit availability in which the Treasury will have to operate. Our borrowing, just like that of any other debtor, will continue to be done in a market environment in which neither maturing issues nor new issues are supported by the Federal Reserve. Government borrowing is borrowing which must be done and cannot be postponed. Because of its size Treasury borrowing terms obviously have a greater impact on interest rates than the terms of any other borrower. At times monetary policy may seem to make debt management more costly and more difficult, but that should not be allowed to detract from the appropriateness of an independently conceived and operated monetary policy as a fundamental tool in the control of inflation.

We will continue in 1959 to pursue the major objectives which have guided our operations during the past year. The Treasury will continue to secure its necessary funds at as reasonable a cost to the taxpayer as possible consistent with the major objective of contributing to sound economic growth. We will continue to secure our funds as largely as possible from true savers rather than from commercial banks in order to reduce the inflationary potential of our financing operations during a period of rising economic activity.

We will also continue to take advantage of every opportunity which arises to extend the maturities of our issues in order to reduce to a minimum the disturbing effect of Treasury financing operations on the money markets and on the flotation of new corporate and municipal issues and in order to provide the Federal Reserve with the greatest freedom possible to conduct effective monetary policy.

Sees New High in Short Terms

If we do not seek every opportunity to accomplish debt extension we will find the short-term debt increasing to a new high in the years immediately ahead. The under-one-year debt stood at $72½ billion on Dec. 31, 1958. If no more securities longer than one year to maturity are issued during the remainder of 1959 the under-one-year debt will increase by $11½ billion during the year. Furthermore, the passage of time will bring more of the debt within the one year area in 1960, in 1961 and 1962 so that financing exclusively in the one year area during the next four years (and with no increase in outstanding debt) would bring the amount of under-one-year debt to $129½ billion—about 75% of the total marketable debt outstanding—by the end of 1962.

Presageful Consequences

The importance of sound fiscal policy in setting the environment in which debt management operations are undertaken cannot be overemphasized. The fact that a budget deficit means a larger amount of money to be raised is only a relatively minor part of this problem.

Far more important is the psychological reaction of investors to the prospect of the effect of future inflation upon the purchasing power of the dollars which they invest if they lack confidence in the ability of the Federal Government to manage its fiscal affairs soundly and to take whatever additional steps are necessary to minimize inflation. This is true not only in relation to Government securities, but to all other fixed dollar obligations as well. A budget deficit in a period of prosperity, and a growing public debt, mean just that much less opportunity for an expansion of mortgage debt, corporate debt and State and local government debt without running the risks of serious monetary inflation.

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Volume Projections for Various Industries

the 1957 peak is in prospect. The handmade segment of the industry, however, is reported feeling the impact of imports.

The silverware industry—which includes flatware and hollow ware made from sterling silver, silverplated ware, and stainless steel—foresees no overall growth in the new year. The industry has felt the impact of Japanese stainless steel flatware in the domestic market.

The outlook for games, toys, and jewelry is promising.

General Industrial Equipment and Components: After a decline during 1958 from the peak reached in 1957, business outlays for new plant and equipment have firmed toward the close of the year at a $30 billion annual rate. Assuming at least the maintenance of the 1958 year-end rate of investment outlays, the broad-gauge group of capital goods industries finds the outlook generally favorable as the new year starts.

Specific reviews in the capital goods field follow:

Materials Handling Equipment: Production and sales in this area, annually exceed $1 billion. It is expected that early 1959 will see a reversal of the slight downturn in evidence in 1958, with operations continuing to show strength. This covers such items as conveyors, cranes, elevators, industrial trucks, and moving stairways. A 20% pick-up is a possibility.

Air Conditioning and Refrigeration: A 10 to 15% pick-up is forecast. Other lines where improvement is in sight include anti-friction bearings, industrial pumps, compressors, and hand tools.

Construction Machinery: Industry looks for a fair production year in 1959, with shipments estimated at $2 billion, compared with $1.7 billion in 1958 and $1.8 billion in 1957. Construction machinery reflected the general downturn in 1958 and correspondingly is expecting to prosper because of the reversal of this trend.

Agricultural Machinery and Equipment: Manufacturers of farm equipment enjoyed a good year in 1958, with farm income at a high level, and are optimistic for 1959 despite a possible drop in farm income. The 1958 production is estimated at $1.9 billion, and a modest increase is forecast for the new year—perhaps 5 to 10%.

Farm machinery exports continue to feel foreign competition.

Mining Machinery: Based on the outlook for higher coal and steel production, the mining machinery industry is due for a 15 to 20% pick-up in 1959. Shipments in 1958 fell about 25% from the previous year.

Oil Field, Gas, and Water-Well Drilling Machinery: The outlook for 1959 rates as more encouraging than operations in 1958, when petroleum production was down about 20% from 1957, and exports likewise tailed off. Demand is expected to go up about 3.9%, and this means a substantial increase in drilling.

Power Equipment: A slight falling-off is in prospect for steam boiler output after 1958 shipments that ran about 38% over the 10-year average but fell below 1957—a record year.

In hydro-turbine production, a substantial increase over 1958 volume is looked for, but steam-turbine production is scheduled at a somewhat lower rate than last year.

Current activity is due to the backlog of orders in the industry. A disturbing factor that will be reflected later is the low level of new orders.

Communications: Manufacturers of communications equipment—which includes the highly complicated switching and transmission items for operating telephone, telegraph, radio and cable companies—anticipate a good year in 1959, with sales of the growing industry reaching $2.55 billion. This compares with $2.48 billion in 1958 and $2.7 billion in 1957. About 20% of shipments go to the government for defense purposes.

The industry now has a plant expansion program under way that will cost $200 million and raise the total plant investment more than $1 billion.

The domestic telephone operating industry also is optimistic, with expectations that operating revenues will climb $600 million over the 1958 approximation of $7.75 billion, which in turn represented a $650 million gain over 1957. Telephone industry construction expenditures for 1959—which include buildings and outside cable construction—are estimated at $2.825 billion, a gain of $325 million over 1958. About 4,100 independents operate 18% of the telephone business; the Bell System, the rest.

The prospective addition of nearly 3.2 million telephones in the United States in 1959 means a total in service of about 70 million. Direct dialing service for long-distance calls has been a big growth factor.

International telephone and telegraph operations and the domestic telegraph industry also continue to expand.

Railroad Freight Cars: The car-building industry — a large steel and lumber consumer—looks for a slight improvement in 1959 after a production downturn in 1958 that reflected the business slump on the railroads. Only 37,531 freight cars were produced in the first 10 months of 1958 as against 85,974 in that period of 1957. Domestic car builders virtually have been eliminated from the foreign market because of wage differentials.

Paper and Board: Part of an expanding multi-billion-dollar industrial group which includes pulp, paper, board, and allied products, the paper and board manufacturing industry looks to a record-breaking output of 32 million tons in 1959. This would exceed 1958 production by 4% and top by 2% the previous record in 1956.

Usage for paper and board virtually is unlimited, and wood cellulose fibers continue as the predominant raw material in manufacture. Research, however, is opening the way to possible utilization of synthetic fibers, including glass, to provide additional technical qualities as well as wider use for paper and board.

Containers and Packaging: High-level operations are in prospect for 1959 in this constantly expanding industry, which felt but slightly the business slump of the past year.

Folding cartons and glass containers, with annual sales nearing $1 billion each, should equal or better the record output of 1957.

Both metal cans and fiber boxes, whose sales respectively exceed $1 billion annually, also are heading toward new records.

Aluminum foil for packaging likewise is approaching an all-time high, with prospective output of 200 million pounds.

Chemicals: The chemical industry, now spending around $1 billion annually for plant expansion, is charting manufacturers' sales of $24.4 billion in 1959, a 5% increase over 1958 sales of $23.2 billion. Exports are expected to top the 1958 figure of $1.4 billion, and imports to remain even at $300 million.

Substantially all major manufacturing industries now use materials — including plastics and synthetic rubber—from the chemical area. Imports still are a minor factor, but competition from abroad—including that from Soviet Russia—is on the rise.

Textiles: The industry now is in an upturn, but the degree of prosperity will vary in the several segments. Foreign competition is a disturbing factor.

Low prices for products and relatively high prices for raw materials left cotton cloth producers little room for profits in 1958, when production was off about 6% from 1957 and 13% from 1956. As the year ended, increased activity in the economy as a whole gave hopes for betterment in the fabric mills.

The weaving of man-made fibers should experience substantial—but not spectacular—improvement in output, prices, and profits if the general upturn in economic activity is sustained.

The woolen and worsted industry looks for a modest rise in 1958, but the perennial problems of imports and low levels of fabric consumption remain.

Men's and boys' wear markets are strengthening, and a slight increase in prices is in prospect.

Food and Beverages: The outlook for the new year is good, with average prices remaining at the same or a slightly lower level than the high level of 1958, when consumer expenditures and manufacturers' sales continued to rise despite the slide in the economy generally. Good crops and increased number of livestock mean more supplies available for processing and marketing in 1959, and indications for an increase in per capita consumption along with the normal population increase will strengthen the demand. Food and beverage sales are expected to be up 3 to 5%.

A continuing decline in exports is considered likely, due to competition from foreign producers and dollar shortage.

Shoes and Leather: Shoe manufacturers look for a record output of 600 million pairs this year. Production in 1958 was 587 million pairs. Rising material and labor costs will bring slight price increases.

All segments of the leather industry are due to be helped by the anticipated increase in shoe production as well as better prospects for other uses including clothing and gloves.

Shoe imports are expected to increase because of lower prices, with exports continuing to ease off.

Printing and Publishing: The four big lines in this group—commercial printing, newspapers, books, and periodicals—all anticipate a good year.

Commercial printing, ranking as one of the country's largest industries, expects to do a volume of business in excess of $6 billion. Receipts for 1958 approximated $5.6 billion, with some segments reflecting the general business decline and others burgeoning.

Newspapers, looking to a circulation figure of 60 million, expect a 10% gain in advertising revenues.

A like situation prevails in the periodicals field, which sustained a loss of 5-6% in advertising revenues in 1958, compared with 1957. A gain approximately 7% with volume in excess of $1.425 billion is in view.

Book publishers expect another record year, topping the 1958 figure of $1.1 billion. Estimates are for close to $1.25 billion sales, with the domestic market expanding in every direction and exports also on the rise.

Photographic Products: Continued expansion of industrial and personal use of photographic products is expected to bring sales of equipment and supplies to $2.124 billion in 1959, a 7.7% increase over 1958.

Exports also continue to grow, with 1958 sales estimated at $86 million, for a new record.

Scientific and Industrial Instruments and Apparatus: Sales in this area in 1959 are expected to rise 10 to 15% above the previous year's estimate of $3.25 billion, because of continued emphasis on research and development, plus military spending in the guided missile field. Sales in 1958 approximated the 1957 level.

Office Equipment: Typewriter sales may reach a new high, approximating $300 million in 1959, as against an estimated $255 million in the past year. Most of this represents domestic production, but there is a substantial volume coming out of foreign branches of American Manufacturers. In the past six years, the U. S. has switched from the leading exporter of type writers to a net importer. Exports for 1958 are estimated at $15 million and imports, $20 million. Germany is dominant in this import trade.

Motion Pictures: Box office receipts are estimated at $1.2 billion in 1958, and the same level is in prospect for 1959, with higher admission prices. Attendance is not expected to increase greatly.

The sharp reduction in the production of feature films in 1958 is due to carry-over into 1959. Foreign importations are benefiting from this situation.

The foreign market for American films continues strong, and remittances from abroad are running around $215 million annually.

Gross Securities Company Formed in Los Angeles

(Special to The Financial Chronicle)

LOS ANGELES, Calif.—Gross Securities Company has been formed with offices at 816 West Fifth Street to engage in a securities business. Officers are Nelson B. Gross, President and Treasurer; Robert Waller, Vice-President; and Robert C. Nolen, Vice-President and Secretary.

Securities Now in Registration

★ INDICATES ADDITIONS SINCE PREVIOUS ISSUE
● ITEMS REVISED

★ Acme Oil Corp., Wichita, Kan.
Feb. 4 (letter of notification) 95,830 shares of common stock (par $1). **Price**—$1.50 per share. **Proceeds**—For development of oil and gas properties. **Office**—Orpheum Bldg., Wichita, Kan. **Underwriter**—Lathrop, Herrick & Smith, Inc., Wichita, Kan.

Advanced Research Associates, Inc.
Dec. 1 filed 400,000 shares of common stock (par five cents). **Price**—$6 per share. **Proceeds**—For research and development program; and for equipment and working capital. **Office** — 4130 Howard Ave., Kensington, Md. **Underwriters** — Wesley Zaugg & Co., Kensington, Md., and Williams, Widmayer Inc., Washington, D. C. **Offering**—Expected in January.

Alaska Juneau Gold Mining Co.
Dec. 29 filed 640,660 outstanding shares of common stock, of which 300,000 shares are to be offered currently and the remaining 340,660 shares in the future. **Price**—To be supplied by amendment. **Proceeds**—To selling stockholders. **Office**—6327 Santa Monica Boulevard, Los Angeles, Calif. **Underwriter**—Lester, Ryons & Co., Los Angeles, Calif. No public offering expected.

Algom Uranium Mines Ltd.
Jan. 15 filed 822,010 shares of common stock to be issuable upon the exercise of outstanding stock purchase warrants of the company which entitle the holders to purchase common shares at $11 (Canadian) per share at any time to and including March 2, 1959. **Proceeds**—To be used for general corporate purposes and may be applied to the redemption or repurchase of the company's mortgage debentures. **Office** — 335 Bay St., Toronto, Canada. **Underwriter**—None.

Allied Publishers, Inc., Portland, Ore.
Nov. 28 (letter of notification) 22,000 shares of common stock (par $1). **Price**—$8.50 per share. **Proceeds**—For general corporate purposes. **Office**—665 S. Ankeny St. Portland 14, Ore. **Underwriter**—First Pacific Investment Corp., Portland, Ore.

● All-State Properties Inc.
Dec. 29 filed 985,734 shares of capital stock (par $1), of which 685,734 shares were to be offered for subscription by stockholders at the rate of 1½ new shares for each share held as of Feb. 10, 1959; rights to expire on Feb. 25, 1959. The remaining 300,000 shares were offered publicly. **Price**—$2 per share. **Proceeds**—For additional working capital and new acquisition, etc. **Office** — 30 Verbena Avenue, Floral Park, N. Y. **Underwriters**—For public offering only: Alkow & Co., Inc.; Hardy & Co.; John H. Kaplan & Co.; Levien, Greenwald & Co.; and Schrijver & Co.; all of New York.

American Asiatic Oil Corp.
Nov. 24 filed 100,000,000 shares of capital stock. **Price**—Two cents per share. **Proceeds**—To selling stockholders. **Office**—Magsaysay Building, San Luis, Ermita, Manila, Republic of Philippines. **Underwriter** — Gaberman & Hagedorn, Inc., Manila, Republic of Philippines.

American Buyers Credit Co.
Nov. 13 filed 5,000,000 shares of common stock, of which 4,545,455 shares of this stock are to be offered for public sale at $1.75 per share. [Shares have been issued or are issuable under agreements with various policy holders in American Buyers Life Insurance Co. and American Life Assurance Co. (both of Phoenix) permitting them to purchase stock at $1.25 per share. Sales personnel have been given the right to purchase stock at $1.25 per share up to the amount of commission they receive on stock sales made by them.] **Proceeds**—For the operation of other branch offices, both in Arizona and in other states. **Office**—2001 East Roosevelt, Phoenix, Ariz. **Underwriter**—None.

American Enterprise Fund, Inc., New York
Oct. 30 filed 487,897 shares of common stock. **Price**—At market. **Proceeds**—For investment. **Distributor**—Edward A. Viner & Co., Inc., New York.

American Growth Fund, Inc., Denver, Colo.
Nov. 17 filed 1,000,000 shares of capital stock (par one cent). **Price**—At market. **Proceeds**—For investment. **Office**—800 Security Building, Denver, Colo. **Underwriter**—American Growth Fund Sponsors, Inc., 800 Security Bldg., Denver 2, Colo.

American Mutual Investment Co., Inc.
Dec. 17, 1957, filed 490,000 shares of capital stock. **Price**—$10.20 per share. **Proceeds** — For investment in first trust notes, second trust notes and construction loans. Company may develop shopping menters and build or purchase office buildings. **Office**—900 Woodward Bldg., Washington, D. C. **Underwriter**—None. Sheldon Magazine, 1201 Highland Drive, Silver Spring, Md., is President.

American Natural Gas Co. (2/26)
Jan. 29 filed 486,325 shares of common stock (par $25) to be offered for subscription by common stockholders of record Feb. 26, 1959, at the rate of one new share for each 10 shares then held (with an oversubscription privilege); rights to expire on March 12. **Price**—To be determined just prior to offering. **Proceeds**—To be used as the equity base for the financing of substantial expansion programs of system companies. **Underwriter**—To be determined by competitive bidding. Probable bidders: White, Weld & Co. and Drexel & Co. (jointly); Blyth & Co., Inc.; The First Boston Corp. **Bids**—Expected to be received up to 11 a.m. (EST) on Feb. 26 at 165 Broadway, New York 6, N. Y.

★ American Premier Insurance Co.
Feb. 2 (letter of notification) 9,000 shares of capital stock (par $16) to be offered for subscription by stockholders of record Feb. 4, 1959 at rate of 9/16ths of a share for each share held. **Price**—$33 per share. **Proceeds**—For capital and surplus accounts. **Office** — 15 North Broadway, Rochester, Minn. **Underwriter**—J. M. Dain & Co., Inc., Minneapolis, Minn.

American Telemail Service, Inc.
Feb. 17, 1958, filed 375,000 shares of common stock (par $1). **Price**—$4 per share. **Proceeds**—To purchase equipment and supplies and for working capital and other corporate purposes. **Office**—Salt Lake City, Utah. **Underwriter**—Amos Treat & Co., Inc., of New York. **Change in Name**—Formerly United States Telemail Service, Inc. **Offering**—Expected early in 1959.

Armstrong Uranium Corp.
Jan. 16 (letter of notification) 3,000,000 shares of common stock (par one cent). **Price** — 10 cents per share. **Proceeds**—For mining expenses. **Office**—c/o Hepburn T. Armstrong, Round Up Heights, Cheyenne, Wyo. **Underwriter**—Bruno-Lencher, Inc., Pittsburgh, Pa.

Associated Bowling Centers, Inc.
Nov. 24 filed 300,000 shares of 20-cent cumulative convertible preferred stock (par one cent) and 50,000 outstanding shares of common stock (par one cent). The preferred shares are to be offered for public sale for the account of the company and the common shares will be offered for the account of a selling stockholder. **Price**—To be supplied by amendment. **Proceeds**—To acquire new bowling centers and increase working capital (part to be used in defraying cost of acquisition of stock of owner of a Brooklyn (N.Y.) bowling center. **Office**—135 Front St., N. Y. **Underwriter** — To be named by amendment. **Offering**—Expected any day.

Atlas Investment Co.
Feb. 3 filed 50,000 shares of common voting stock (par $10). **Price** — $25 per share. **Proceeds** — To purchase additional contribution certificates of Great Basin Insurance Co. **Office**—704 Virginia Street, Reno, Nev. **Underwriter**—None.

Australian Grazing & Pastoral Co., Ltd.
Jan. 13 filed 4,000,000 shares of common stock. **Price**—At par (56¼ cents per share). **Proceeds**—To purchase cattle; for improvements; to buy additional ranch in Queensland, Australia; and for other corporate purposes. **Office**—1301 Avenue L, Cisco, Tex. **Underwriter**—None. Robert Kamon is President.

Bankers Fidelity Life Insurance Co.
Feb. 28, 1958, filed 258,740 shares of common stock (par $1), of which 125,000 shares are to be offered publicly and 133,740 shares to employees pursuant to stock purchase options. **Price**—To public, $6 per share. **Proceeds**—For expansion and other corporate purposes. **Office**—Atlanta. Ga. **Underwriter**—None

Bankers Management Corp.
Feb. 10, 1958, filed 400,000 shares of common stock (par 25 cents). **Price**—$1 per share. **Proceeds**—To reduce outstanding indebtedness and for working capital. **Office**—1404 Main St., Houston, Texas. **Underwriter**—McDonald, Kaiser & Co., Inc. (formerly McDonald, Holman & Co., Inc.), New York.

Bankers Preferred Life Insurance Co.
Jan. 30 (letter of notiifcation) 100,000 shares of common stock (par $1.60). **Price**—$3 per share. **Proceeds**—For expenses incidental to operation of an insurance company. **Office**—Suite 619, E. & C. Bldg., Denver, Colo. **Underwriter**—Ringsby Underwriters, Inc., Denver 2, Colo.

Barden Corp. (2/19)
Jan. 22 filed 102,533 shares of common stock, to be offered for subscription by stockholders at the rate of one new share for each six shares held on or about Feb. 18, 1959; rights to expire on or about March 5. **Price**—To be supplied by amendment. **Proceeds**—To reduce bank loan indebtedness; for property additions; to acquire manufacturing laboratory equipment; and the balance for general corporate purposes. **Office**—East Franklin St., Danbury, Conn. **Underwriter** — Shearson, Hammill & Co., New York.

● Bargain Centers, Inc. (2/19)
Nov. 20 (letter of notification) $300,000 of 6% subordinated convertible debentures due Jan. 1, 1969 and 30,000 shares of common stock (par 10 cents) to be offered in units of $100 of debentures and 10 shares of stock. **Price**—$100 per unit. **Proceeds**—For equipping and decorating a new store and acquisition of real estate for a new warehouse and working capital. **Office**—c/o Edward H. Altschull, President, 1027 Jefferson Circle. Martinsville, W. Va. **Underwriter**—Securities Trading Corp., Jersey City, N. J. Statement effective Feb. 11.

Bargain City, U. S. A., Inc.
Dec. 29 filed 5,000,000 shares of class A common stock (no par). **Price**—$3 per share. **Proceeds**—For expansion and acquisition or leasing of new sites. **Office** — 2210 Walnut Street, Philadelphia, Pa. **Underwriter**—None.

Bellechasse Mining Corp. Ltd.
Oct. 29 filed 800,000 shares of common stock (par $1). **Price**—Related to market price on Canadian Stock Exchange, at the time the offering is made. **Proceeds**—To be applied over the balance of 1958 and the next three years as follows: for annual assessment work on the company's properties (other than mining claims in the Mt. Wright area in Quebec); for general prospecting costs; and for general administration expenses. **Office**—Montreal, Canada. **Underwriters** — Nicholas Modinos & Co. (Washington, D. C.) in the United States and by Forget & Forget in Canada. Statement effective Jan. 27.

● Blossman Hydratane Gas, Inc. (2/20)
Dec. 29 filed $1,200,000 of 5% subordinated convertible debentures due Dec. 31, 1978 and 120,000 shares of common stock (par $1) to be offered in units of $500 of debentures and 50 shares of common stock. **Price**—To be supplied by amendment. **Proceeds**—To retire short-term bank loans, and for working capital to be used for general corporate purposes. **Business**—Sale and distribution of liquified petroleum gas. **Office**—Covington, La. **Underwriters**—S. D. Fuller & Co., New York and Howard, Weil, Labouisse, Friedrichs & Company, New Orleans, La.

Bridgehampton Road Races Corp.
Oct. 23 (letter of notification) 15,000 shares of common stock (par $1) to be offered for subscription by stockholders of record Nov. 1, 1958 on the basis of one new share for each four shares held; unsubscribed shares will be offered to current creditors in payment of all or part of claims, at the rate of one share for each $4 of claims discharged; rights to expire about two weeks after mailing of offer. **Price**—$4 per share. **Proceeds**—To pay current creditors. **Address** — P. O. Box-506, Bridgehampton, L. I., N. Y. **Underwriter** — None. **Offering**—Has been delayed.

Brookridge Development Corp.
Dec. 19 (letter of notification) $200,000 of 6% 15-year convertible debentures. **Price**—At par ($500 per unit). **Proceeds**—For expansion and working capital. **Office**—901 Seneca Ave., Brooklyn 27, N. Y. **Underwriter** — Sano & Co., 15 William St., New York, N. Y.

Calvert Drilling, Inc. (2/24)
Jan. 30 filed 100,012 shares of common stock, to be offered for subscription by common stockholders at the rate of one new share for each five shares held on Feb. 24; rights to expire on March 10. **Price**—To be supplied by amendment. **Proceeds**—For development of producing properties and for general corporate purposes. **Office**—204 South Fair St., Olney, Ill. **Underwriter** — W. E. Hutton & Co., New York, N. Y., and Cincinnati, Ohio.

● Canal-Randolph Corp. (2/19-20)
Jan. 28 filed 816,721 shares of common stock (par $1). The corporation proposes to offer to purchase shares of common and preferred stock of United Stockyards, and/or at the option of the holder, to exchange shares of United for shares of Canal-Randolph. The rate of exchange is to be supplied by amendment. **Price**—To be supplied by amendment. **Underwriters**—New York Hanseatic Corp., New York, and Rea Brothers Ltd., London, England. The former has agreed to acquire not in excess of 162,500 shares of Canal-Randolph common; and the latter a maximum of 110,500 shares.

● Carraco Oil Co., Ada, Okla. (2/24-27)
Nov. 10 (letter of notification) 199,733 shares of common stock. **Price**—$1.50 per share. **Proceeds** — For general corporate purposes. **Underwriter** — Berry & Co., New York.

Cemex of Arizona, Inc.
Nov. 17 (letter of notification) 300,000 shares of common stock (par 25 cents). **Price**—$1 per share. **Proceeds**—For working capital. **Address**—P. O. Box 1849, 3720 E. 32nd Street, Yuma, Ariz. **Underwriter**—L. A. Huey Co., Denver, Colo.

Central Illinois Electric & Gas Co. (2/19)
Jan. 21 filed 145,940 shares of common stock, to be offered for subscription by common stockholders at the rate of one new share for each 10 shares held as of record Feb. 17, 1959 (with an oversubscription privilege): rights to expire on March 5, 1959. **Price**—To be supplied by amendment. **Proceeds**—To be used for construction and for payment of bank loans. **Underwriter**—Stone & Webster Securities Corp., New York.

● Century Food Markets Co. (2/13)
Jan. 9 filed 118,112 shares of common stock (par $1) to be offered for subscription by holders of common stock at the rate of one new share for each five shares held as of about Feb. 10, 1959; rights to expire on or about March 2, 1959. **Price**—$5 per share. **Proceeds**—To discharge bank loan and to replenish working capital. **Underwriter**—Janney Dulles & Battles, Inc., Philadelphia, Pa.

City Lands, Inc., New York
Jan. 13 filed 100,000 shares of capital stock. **Price**—$20 per share. **Proceeds**—To invest in real estate. **Office**—Room 3748, 120 Broadway, New York. N. Y. **Underwriter**—Model, Roland & Stone, New York. **Offering** — Expected in February.

Clute Corp.
Aug. 21 (letter of notification) 300,000 shares of common stock (par one cent). **Price**—$1 per share. **Proceeds**—To pay additional costs of construction; and for retirement of obligations and working capital. **Office** — c/o John Harlan Lowell, 2200 Kenton, Aurora, Colo. **Underwriter**—Lowell, Murphy & Co., Inc., Denver, Colo.

Combustion Engineering, Inc.
Dec. 19 filed 64,011 shares of capital stock to be offered in exchange for 81,002 shares of the outstanding common stock and for 2,131 shares of the outstanding $100 par preferred stock of General Nuclear Engineering Corp., at the rate of seven shares and 3.4302 shares of Combustion Engineering stock for each 10 shares of common

stock and each share of preferred stock, respectively, of General Nuclear Engineering (of Dunedin, Fla.).

Commerce Oil Refining Corp.
Dec. 16, 1957 filed $25,000,000 of first mortgage bonds due Sept. 1, 1968, $20,000,00 of subordinatea debentures due Oct. 1, 1968 and 3,000,000 shares of common stock to be offered in units as follows: $1,000 of bonds and 48 shares of stock and $100 of debentures and nine shares of stock. **Price**—To be supplied by amendment. **Proceeds** — To construct refinery. **Underwriter**—Lehman Brothers, New York. **Offering**—Indefinite.

Commercial Investors Corp.
Nov. 28 (letter of notification) 900,000 shares of common stock. **Price**—At par (10 cents per share). **Proceeds**—For investment. **Office**—450 So. Main St., Salt Lake City, Utah. **Underwriter**—Earl J. Knudson & Co., Salt Lake City, Utah.

● **Connecticut Light & Power Co.**
Jan. 16 filed 762,565 shares of common stock (no par) being offered to common stockholders of record Feb. 5, 1959, at the rate of one new share for each unit of 10 shares or less then held; rights to expire on Feb. 24. Certain officers and employees of the company and its subsidiaries will be entitled to subscribe up to and including Feb. 19 for shares not subscribed for by stockholders. **Price**—$22.50 per share. **Proceeds** — Together with funds available from internal sources are to be used to repay certain outstanding bank loans, to finance in part the company's 1959 construction program, and for other corporate purposes. **Underwriters**—Morgan Stanley & Co., New York; Putnam & Co., Hartford, Conn.; Chas. W. Scranton & Co., New Haven, Conn.; Estabrook & Co., New York and Boston, Mass.

★ **Conotorc, Inc.**
Feb. 3 (letter of notification) 118,000 shares of common stock (par 14 cents). **Price**—$2 per share. **Proceeds**—To develop patents and inventions and for general corporate purposes. **Office** — 2 Secatog Ave., Port Washington, N. Y. **Underwriter**—None.

Consolidated Edison Co. of New York, Inc.
Dec. 23 filed $59,609,500 of 4% convertible debentures due Aug. 15, 1973 being offered for subscription by common stockholders at the rate of $100 principal amount of debentures for each 25 shares of stock held of record on Jan. 26, 1959; rights to expire on Feb. 13. **Price**—100% (flat). **Proceeds**—To repay short-term bank notes, and for additions to utility plant. **Underwriters**—Morgan Stanley & Co. and The First Boston Corp., both of New York.

★ **Consolidated Laundries Corp.**
Feb. 5 (letter of notification) 12,500 shares of common stock (par $5) to be offered to employees under an Employers' Stock Purchase Plan. **Price**—To be determined by market value on the New York Stock Exchange (aggregate not to exceed $300,000). **Office**—122 East 42nd Street, New York 17, N. Y. **Underwriter**—None.

Cormac Chemical Corp.
Jan. 22 filed 108,667 units of 108,667 shares of common stock (par one cent) and 108,667 common stock purchase warrants, each unit consisting of one common share and one warrant, to be offered for subscription by holders of the common stock of Cormac Photocopy Corp. at the rate of one such unit for every six shares of Cormac Photography common held. **Price**—$2 per unit. **Proceeds**—To finance the company's development and marketing program. **Office**—80 Fifth Avenue, New York, N. Y. **Underwriter**—Ross, Lyon & Co. Inc., New York.

Cryogenic Engineering Co.
Sept. 22 (letter of notification) 150,000 shares of class A common stock (par 10 cents). **Price**—$2 per share. **Proceeds** — For repayment of loan; purchase of plant and office equipment; raw materials and supplies; and for working capital, etc. **Office**—U. W. National Bank Bldg., 1740 Broadway, Denver, Colo. **Underwriter**—L. A. Huey, Denver, Colo.

Derson Mines Ltd.
June 5 filed 350,000 shares of common stock. **Price**—$1 per share. **Proceeds**—For new equipment, repayment of loan, acquisition of properties under option, and other corporate purposes. **Office**—Toronto, Canada, and Emporium, Pa. **Underwriter**—None.

★ **Diversified Growth Stock Fund, Inc.**
Feb. 9 filed (by amendment) an additional 2,500,000 shares of capital stock (par $1). **Price**—At market. **Proceeds**—For investment. **Office**—Elizabeth, N. J.

Diversified Inc., Amarillo, Texas
Jan. 6 filed 300,000 shares of common stock (par 50 cents). **Price**—$3 per share. **Proceeds**—For acquisition of undeveloped real estate, for organization or acquisition of consumer finance business, and balance to be used for working capital. **Underwriter** — Investment Service Co., Denver, Colo., on a best efforts basis.

★ **Diversified Mineral Investments, Inc.**
Feb. 3 (letter of notification) 300,000 shares of common stock. **Price** — At par ($1 per share). **Proceeds** — For working capital. **Office**—Bonnie Kate Bldg., Elizabethton, Tenn. **Underwriter**—None.

★ **Drug Fair Community Drug Co., Inc.**
Feb. 10 filed $750,000 of 5½% subordinated sinking fund debentures due March 1, 1974 (with warrants attached to purchase 37,500 shares of $1 par value common stock A). **Price**—At par (in units of $500 each). **Proceeds**—To finance current operations, to open new drug stores and to retire $60,000 of outstanding 8½% debentures. **Office**—Arlington, Va. **Underwriter**—Auchincloss, Parker & Redpath, Washington, D. C.

Duquesne Light Co. (2/24)
Jan. 27 filed $10,000,000 of first mortgage bonds due March 1, 1989. **Proceeds**—To repay bank loans and for construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.; The First Boston Corp.; Kuhn, Loeb & Co., Eastman Dillon, Union Securities & Co., A. C. Allyn & Co., Inc., and Ladenburg, Thalmann & Co. (jointly); Glore, Forgan & Co.; Harriman Ripley & Co. Inc.; Drexel & Co. and Equitable Securities Corp. (jointly). **Bids**—Scheduled to be received up to 11:30 a.m. (EST) on Feb. 24.

Eastern Utilities Associates (3/4)
Jan. 30 filed 96,765 shares of common stock (par $10) to be offered for subscription by common stockholders of record about March 4, 1959 on the basis of one new share for each 12 shares held (with an oversubscription privilege); rights to expire on March 19. **Proceeds**—To reduce bank loans. **Underwriter** — To be determined by competitive bidding. Probable bidders: Kidder, Peabody & Co.; Stone & Webster Securities Corp. **Bids**—To be received up to 11 a.m. (EST) on March 4 at 49 Federal St., Boston, Mass.

★ **Eaton & Howard Balanced Fund, Boston, Mass.**
Feb. 9 filed (by amendment) an additional 100,000 shares of common stock (par $1). **Price**—At market. **Proceeds**—For investment.

Emerite Corp.
Jan. 19 (letter of notification) 250,000 shares of series 3 common stock (no par) to be offered for subscription by stockholders on the basis of one share of series 3 stock for each three shares of series 1 and/or series 2 common stock held; unsubscribed shares to other stockholders. Rights expire 30 days from offering date. **Price**—$1 per share. **Proceeds**—For working capital. **Office**—333 S. Farish Street, Jackson, Miss. **Underwriter**—None.

● **Erie Forge & Steel Corp.**
Jan. 9 filed 237,918 shares of common stock being offered for subscription by common stockholders at the rate of one new share for each four shares held as of Feb. 10 (with an oversubscription privilege); rights to expire March 2. **Price**—$6.12½ per share. **Proceeds**—To complete modernization and expansion program and for working capital. **Underwriters**—Lee Higginson Corp., and P. W. Brooks & Co., Inc., both of New York City.

★ **Ero Manufacturing Co. (2/9)**
Jan. 23 (letter of notification) 10,000 shares of common stock (par $1), not to exceed an aggregate of $100,000. **Price**—The closing price on the day preceding commencement of the offer. **Proceeds**—To go to a trust of which Howard F. Leopold is trustee. **Office** — 3180 North Lake Shore Drive, Chicago, Ill. **Underwriter**—Straus, Blosser & McDowell, Chicago, Ill.

Federated Corp. of Delaware
Dec. 29 filed $918,000 of 6% convertible subordinated debentures due 1968. The company proposes to offer $210,000 of the debentures to purchase the capital stock of Consumers Time Credit, Inc., a New York company; $442,000 of the debentures in exchange for Consumers debentures; and $226,000 of the debentures in exchange for the outstanding 12% debentures of three subsidiaries of Federated. **Office**—1 South Main Street, Port Chester, N. Y. **Underwriter**—None.

Federated Finance Co.
Nov. 17 (letter of notification) $300,000 of 10-year 6% senior subordinated debentures. **Price**—At par (in denominations of $1,000 each). **Proceeds** — For working

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NEW ISSUE CALENDAR

February 13 (Friday)
Century Food Markets Co. — Common
(Offering to stockholders—underwritten by Janney, Dulles & Battles, Inc.) $590,560

February 16 (Monday)
Harman-Kardon, Inc. — Common
(Milton D. Blauner & Co., Inc.) $600,000
LEL, Inc. — Common
(Bertner Bros.) $150,000
Military Publishing Institute, Inc. — Common
(C. H. Abraham & Co., Inc.) $250,000
National Theatres, Inc. — Debentures
(Cruttenden, Podesta & Co., Cantor, Fitzgerald & Co., Inc., and Westheimer & Co.) $20,000,000
Standard Manufacturing Corp. — Common
(Plymouth Securities Corp.) $300,000
U. S. Land Development Corp. — Common
(Aetna Securities Corp. and Roman & Johnson) $1,055,000
United States Pool Corp. — Common
(Ross, Lyon & Co., Inc.) $300,000
Western Gas Service Co. — Common
(Underwood, Neuhaus & Co., Inc.) 104,500 shares

February 17 (Tuesday)
Public Service Co. of Indiana, Inc. — Bonds
(Bids 10:30 a.m. CST) $25,000,000
Southwestern States Telephone Co. — Common
(Dean Witter & Co.) 150,000 shares

February 18 (Wednesday)
Investors Research Fund, Inc. — Common
(Bache & Co.) $5,891,280
Japan (Government of) — Bonds
(The First Boston Corp.) $30,000,000
Southern Pacific Co. — Equip. Trust Ctfs.
(Bids noon CST) $7,125,000
United Control Corp. — Common
(Blyth & Co., Inc.) 200,000 shares

February 19 (Thursday)
Barden Corp. — Common
(Offering to stockholders—underwritten by Shearson, Hammill & Co.) 102,553 shares
Bargain Centers, Inc. — Debentures
(Securities Trading Corp.) $300,000
Canal-Randolph Corp. — Common
(New York Hanseatic Corp. and Rea Brothers Ltd.) 816,721 shs
Central Illinois Electric & Gas Co. — Common
(Offering to stockholders—underwritten by Stone & Webster Securities Corp.) 145,940 shares

February 20 (Friday)
Blossman Hydratane Gas, Inc. — Debens. & Com.
(S. D. Fuller & Co. and Howard Weil, Labouisse, Friedrichs & Co.) $1,200,000 debentures and 120,000 common shares

February 24 (Tuesday)
Calvert Drilling, Inc. — Common
(Offering to stockholders—underwritten by W. E. Hutton & Co.) 100,012 shares
Carraco Oil Co. — Common
(Berry & Co.) $293,600
Chicago, Rock Island & Pacific RR. — Equip. Tr. Ctfs.
(Bids noon CST) $5,130,000
Duquesne Light Co. — Bonds
(Bids 11:30 a.m. EST) $10,000,000
Glass-Tite Industries, Inc. — Common
(Stanley Heller & Co.) $330,000
TV Junior Publications, Inc. — Com. & Warrants
(Charles Plohn & Co.) $375,000

February 25 (Wednesday)
Illinois Bell Telephone Co. — Bonds
(Bids 11 a.m. EST) $50,000,000
Sawhill Tubular Products, Inc. — Common
(McDonald & Co. and Kidder, Peabody & Co.) 225,000 shares
Talcott (James), Inc. — Common
(F. Eberstadt & Co. and White, Weld & Co.) 150,000 shares
Thomas & Betts Co. — Common
(Smith, Barney & Co.) 300,000 shares

February 26 (Thursday)
American Natural Gas Co. — Common
(Offering to stockholders—bids 11 a.m. EST) 486,325 shares
Jamaica (Government of) — Bonds
(Kuhn, Loeb & Co.) $12,500,000

February 27 (Friday)
Piedmont Natural Gas Co. — Common
(Offering to stockholders—underwritten by White, Weld & Co.) 56,301 shares

March 2 (Monday)
Miami Window Corp. — Debentures
(Cruttenden, Podesta & Co. and Clayton Securities Corp.) $2,500,000
Standard Security Life Insurance Co. of N. Y. — Com.
(Ira Haupt & Co. and Savard & Hart) $1,500,000

March 3 (Tuesday)
Pacific Power & Light Co. — Common
(Offering to stockholders—bids 8 a.m. PST) 207,852 shares

March 4 (Wednesday)
Eastern Utilities Associates — Common
(Offering to stockholders—bids 11 a.m. EST) 96,765 shares

March 10 (Tuesday)
Northern Indiana Public Service Co. — Bonds
(Bids to be invited) $25,000,000

March 16 (Monday)
Standard Sign & Signal Co. — Common
(Sano & Co.) $300,000

March 30 (Monday)
Ohio Power Co. — Bonds
(Bids 11 a.m. EST) $25,000,000

March 31 (Tuesday)
California Electric Power Co. — Common
(Bids 9 a.m. PST) 300,000 shares
Monongahela Power Co. — Bonds
(Bids to be invited) $16,000,000

April 2 (Thursday)
Gulf Power Co. — Bonds
(Bids to be invited) $7,000,000

April 15 (Wednesday)
Wisconsin Power & Light Co. — Bonds
(Bids to be invited) $14,000,000

April 30 (Thursday)
Alabama Power Co. — Bonds
(Bids to be invited) $20,000,000

May 26 (Tuesday)
West Penn Power Co. — Bonds
(Bids to be received) $15,000,000

May 28 (Thursday)
Southern Electric Generating Co. — Bonds
(Bids to be invited) $25,000,000

June 2 (Tuesday)
Virginia Electric & Power Co. — Common
(Bids to be received) $20,000,000 to $25,000,000

June 25 (Thursday)
Mississippi Power Co. — Bonds
(Bids to be invited) $5,000,000

September 10 (Thursday)
Georgia Power Co. — Bonds
(Bids to be invited) $18,000,000

Postponed Financing

Montana Power Co. — Bonds
(Bids to be invited) $20,000,000
Pennsylvania Power Co. — Bonds
(Bids to be invited) $8,000,000

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capital, to make loans, etc. **Office**—2104 "O" St., Lincoln, Neb. **Underwriters** — J. Cliff Rahel & Co. and Eugene C. Dinsmore, Omaha, Neb.

Finance For Industry, Inc.
Dec. 16 filed 200,000 shares of class A common stock. **Price**—At par ($1.50 per share). **Proceeds**—For working capital. **Office**—508 Ainsley Bldg., Miami, Fla. **Underwriter** — R. F. Campeau Co., Penobscot Bldg., Detroit, Mich.

Florida Builders, Inc.
Dec. 1 filed $4,000,000 of 6% 15-year sinking fund subordinated debentures and 40,000 shares of common stock, to be offered in units of $100 principal amount of debentures and one share of common stock. **Price** — $110 per unit. **Proceeds**—For purchase and development of subdivision land, including shopping site; for new equipment and project site facilities; for financing expansion program; and for liquidation of bank loans and other corporate purposes. **Office**—700 43rd St., South, St. Petersburg, Fla. **Underwriter**—None.

● **Fluorspar Corp. of America**
Oct. 14 (letter of notification) 133,333 shares of common stock (par 25 cents). **Price**—$2.25 per share. **Proceeds**—For mining expenses. **Office**—4334 S. E. 74th Ave., Portland 6, Ore. **Underwriter** — Ross Securities Inc., New York, N. Y., has withdrawn as underwriter.

Fort Pierce Port & Terminal Co.
Nov. 25 filed 2,138,500 shares of common stock (par $1). **Price**—$1.25 per share. **Proceeds**—To pay short-term loans and for completing company's Port Development Plan and rest added to general funds. **Office** — Fort Pierce, Fla. **Underwriter**—Frank B. Bateman, Ltd., Palm Beach, Fla.

Foundation Investment Corp., Atlanta, Ga.
Jan. 13 filed 231,988 shares of common stock to be offered for subscription by stockholders; unsold portion to be offered publicly. **Price**—$12.50 per share. **Proceeds**—To repay notes. **Office**—515 Candler Bldg., Atlanta, Ga. **Underwriter**—None.

General Alloys Co.
Nov. 17 (letter of notification) 45,250 shares of common stock (par $1) of which 16,900 shares are to be offered to employees and the remainder to the public. **Price**—To employees, $1.1805 per share. **Proceeds**—To purchase and install machinery and equipment. **Office**—367-405 West First St., Boston, Mass. **Underwriter**—William S. Prescott & Co., Boston, Mass.

General Aniline & Film Corp., New York
Jan. 14, 1957 filed 426,988 shares of common A stock (no par) and 1,537,500 shares of common B stock (par $1) Proceeds—To the Attorney General of the United States Underwriter—To be determined by competitive bidding Probable bidders: Blyth & Co., Inc., and The First Boston Corp. (jointly); Kuhn, Loeb & Co.; Lehman Brothers, and Glore, Forgan & Co. (jointly). Bids—Had been scheduled to be received up to 3:45 p.m. (EDT) on May 13 at Room 654, 101 Indiana Ave., N. W., Washington 25, D. C., but bidding has been postponed.

● **Glass-Tite Industries, Inc. (2/24)**
Jan. 30 filed 110,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Proceeds**—To retire $35,000 of 6% preferred stock; for research, development and improvement of new and present products; for purchase of a high temperature atmosphere furnace and additional test equipment and the balance will be added to working capital and be used for other corporate purposes. **Office**—88 Spectable St., Cranston, R. I. **Underwriter**—Stanley Heller & Co., New York.

Government Employees Variable Annuity Life Insurance Co.
Nov. 13 filed 2,500,000 shares of common stock (par $1) to be offered by company viz: (1) to holders of common stock (par $4) of Government Employees Insurance Co., on the basis of one warrant per share of stock held (1,334,570 shares are now outstanding); (2) to holders of common stock (par $1.50) of Government Employees Life Insurance Co., on the basis of 1½ warrants per share of stock held (216,429 shares are now outstanding); and (3) to holders of common stock (par $5) of Government Employees Corp., on the basis of ½ warrant per share of stock held (as of Dec. 31, 1958 there were 143,703 shares of stock outstanding and $589,640 of 5% convertible capital debentures due 1967, convertible into shares of common at $28.0374 per share. If all these debentures were converted into common stock prior to the record date, a total of 164,733 common shares would be outstanding. Warrants were to expire on Feb. 27, 1959. **Price**—$3 per share. **Proceeds**—For capital and surplus. **Office**—Government Employees Insurance Bldg., Washington, D. C. **Underwriters** — Johnston, Lemon & Co., Washington, D. C.; Eastman Dillon, Union Securities & Co., New York; and Abacus Fund, Boston, Mass. **Offering**—Indefinitely postponed.

Grain Elevator Warehouse Co.
Nov. 3 filed 100,000 outstanding shares of common stock (par 10 cents). National Alfalfa Dehydrating & Milling Co., holder of the 100,000 common shares is offering to its common stockholders preferential warrants to subscribe to 98,750 shares of Grain Elevator stock on the basis of one warrant to purchase one-eighth share of Grain Elevator stock for each share of National Alfalfa common held on Jan. 19, 1959; rights to expire Feb. 16. **Price**—$2 per share. **Proceeds**—To selling stockholder. **Office** — 927 Market Street, Wilmington, Del. **Underwriter**—None. Statement effective Jan. 12.

★ **Gridoil Freehold Leases Ltd.**
Feb. 5 filed 563,600 shares of common stock to be offered in exchange for $2,818,000 of 5½% convertible sinking fund redeemable notes, series A, due July 1, 1976, on the basis of 200 shares for each $1,000 note. **Office**—330 Ninth Avenue, West, Calgary, Canada.

★ **Growth Fund of America, Inc.**
Feb. 4 filed 250,000 shares of common stock (par 10 cents). **Price**—At market. **Proceeds**—For investment. **Office** — 1825 Connecticut Avenue, Washington, D. C. **Investment Advisor** — Investment Advisory Service, Washington, D. C. **Underwriter**—Investment Management Associates, Inc., Washington, D. C.

● **Harman-Kardon, Inc. (2/16-20)**
Jan. 23 filed 200,000 shares of common stock, of which the company proposes to offer 95,000 shares and 105,000 shares will be sold for the account of Bernard Kardon, Vice-President and General Manager. **Price** — $3 per share. **Proceeds**—To eliminate $100,000 of outstanding bank loans, and for working capital. **Office**—520 Main Street, Westbury, N .Y. **Underwriter**—Milton D. Blauner & Co., Inc., New York.

Heartland Development Corp.
Oct. 23 (letter of notification) 22,820 shares of non-voting convertible preference stock (par $12) to be offered for subscription by stockholders on the basis of one share of convertible preference stock for each 10 shares of common stock held on or about Nov. 1, 1958. Stockholders will have 45 days in which to exercise the rights. **Price** — At par. **Proceeds** — To repay debts, acquisition of investments, and for general purposes. **Address**—P. O. Box-348, Albany, N. Y. **Underwriter**—None.

Heliogen Products, Inc.
Oct. 22 (letter of notification) 28,800 shares of common stock (par $1). **Price**—$5 per share. **Proceeds**—For payment of past due accounts and loans and general working capital. **Office** — 35-10 Astoria Blvd., L. I. C. 3, N. Y. **Underwriter**—Albion Securities Co., Suite 1512, 11 Broadway, New York 4, N. Y.

Highway Trailer Industries, Inc.
Nov. 24 filed 473,000 outstanding shares of common stock (par 25 cents). **Price**—At prices generally prevailing on the American Stock Exchange. **Proceeds** — To selling stockholders. **Office**—250 Park Avenue, N. Y. **Underwriter**—None.

Hinsdale Raceway, Inc., Hinsdale, N. H.
Dec. 29 filed capital trust certificates evidencing 1,000,000 shares of capital stock, and 2,000 debenture notes. **Price**—The common stock at par ($1 per share) and the notes in units of $500 each. **Proceeds**—For construction of a track, including land, grandstand, mutual plant building, stables and paddock, during hall, service building, administrative building, penthouse, tote board and clubhouse. **Underwriter**—None.

● **Holiday Inns of America, Inc.**
Dec. 30 filed 39,765 shares of common stock being offered for subscription by common stockholders (other than the Board Chairman and President and their families) of record Jan. 27 at the rate of one new share for each four shares held; rights to expire on Feb. 18. **Price**—$16 per share. **Proceeds**—In addition to other funds, to be added to working capital and to complete the current portions of construction costs. **Underwriter**—Equitable Securities Corp., Nashville, Tenn. Statement effective Feb. 3.

Home-Stake Production Co., Tulsa, Okla.
Nov. 5 filed 116,667 shares of common stock (par $5). **Price**—$6 per share. **Proceeds**—For working capital and general corporate purposes. **Office** — 2202 Philtower Bldg., Tulsa, Okla. **Underwriter**—None.

● **Illinois Bell Telephone Co. (2/25)**
Feb. 4 filed $50,000,000 first mortgage bonds, series F, due March 1, 1994. **Proceeds** — For improvements, etc. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co.; Glore, Forgan & Co. and Eastman Dillon, Union Securities & Co. (jointly). **Bids**—Expected to be received up to 11 a.m. (EST) on Feb. 25, at Room 2315, 195 Broadway, New York, N. Y.

Industrial Minerals Corp., Washington, D. C.
July 24 filed 600,000 shares of common stock (par one cent). Price—$1 per share. Proceeds—To develop and operate graphite and mica properties in Alabama. Underwriters—Dearborn & Co. and Carr-Rigdom & Co both of Washington, D. C., on a best efforts basis. Statement effective Nov. 18.

Industro Transistor Corp. (N. Y.)
Feb. 28, 1958, filed 150,000 shares of common stock (par 10 cents); reduced to 135,000 shares by amendment subsequently filed. **Price**—To be related to the market price. **Proceeds**—For working capital and to enlarge research and development department. Stop order proceedings instituted by SEC.

International Bank, Washington, D. C.
Dec. 29 filed $5,000,000 of notes (series B, $500,000, two-year, 3% per unit; series C, $1,000,000, four-year 4% per unit; and series D, $3,500,000, 6-year, 5% per unit). **Price** —100% of principal amount. **Proceeds** — For working capital. **Underwriter**—Johnston, Lemon & Co., Washington, D. C.

★ **Investment Co. of America**
Feb. 4 filed (by amendment) an additional 1,000,000 shares of common stock (par $1). **Price**—At market. **Proceeds**—For investment. **Office**—Los Angeles, Calif.

Investment Corp. of Florida
Oct. 9 (letter of notification) 55,555 shares of common stock (par two cents). **Price**—$4.50 per share. **Proceeds**—For capital account and paid-in surplus. **Office**—Atlantic Federal Building 1750 E Sunrise Boulevard, Ft Lauderdale, Fla. **Underwriter**—None.

● **Investors Research Fund, Inc. (2/18)**
Jan. 9 filed 490,940 shares of common stock. **Price**—$12 per share. **Proceeds**—For investment. **Office**—922 Laguna St., Santa Barbara, Calif. **Investment Advisor**—Investors Research Co., Santa Barbara, Calif. **Underwriter**—Bache & Co., New York.

Israel (The State of)
Jan. 8 filed $300,000,000 of second development bonds, part to consist of 15-year 4% dollar coupon bonds (to be issued in five series maturing serially from March 1, 1974 to March 1, 1978) and 10-year dollar savings bonds (each due 10 years from first day of the month in which issued). **Price**—100% of principal amount. **Proceeds**—For improvements, etc. **Underwriter**—Development Corp. for Israel, 215 Fourth Ave., New York City. **Offering**—Expected early in March, 1959.

Itemco Inc.
Nov. 28 (letter of notification) 200,000 shares of common stock (par 10 cents). **Price**—$1 per share. **Proceeds**—To acquire machinery and equipment and additional space for test laboratories; and for working capital. **Office**—4 Manhasset Ave., Port Washington, L. I., N. Y. **Underwriter** — B. Fennekohl & Co., 205 East 85th St., New York, N. Y.

● **Jamaica (Government of) (2/26)**
Feb. 4 filed $10,000,000 of sinking fund external loan bonds due March 1, 1974 and $2,500,000 serial external loan bonds due semi-annually Sept. 1, 1960 through March 1, 1964, inclusive. **Price** — To be supplied by amendment. **Underwriter**—Kuhn, Loeb & Co.

Japan (Government of) (2/18)
Jan. 29 filed $30,000,000 of external loan bonds, dated Jan. 15, 1959. These consist of $3,000,000 of three-year 4½% bonds, due Jan. 15, 1962; $5,000,000 of four-year 4½% bonds due Jan. 15, 1963; $7,000,000 of five-year 4¾% bonds, due Jan. 15, 1964; and $15,000,000 of 15-year 5½% sinking fund bonds, due Jan. 15, 1974. **Price**—To be supplied by amendment. **Proceeds**—To be added to the Government's foreign exchange reserves. **Underwriter**—The First Boston Corp., New York.

● **Jet-Aer Corp., Paterson, N. J.**
Dec. 5 (letter of notification) 10,000 shares of class A common stock (par $1.50). **Price** — $10 per share. **Proceeds**—For purchase of modern automatic filling equipment and for marketing and advertising program. **Office**—85-18th Ave., Paterson, N. J. **Underwriter**—None. **Offering**—To be made privately.

Kimberly-Clark Corp.
Dec. 30 filed 225,000 shares of common stock (par $5) to be offered in exchange for common stock of the American Envelope Co. of West Carrollton, Ohio, on the basis of three-quarters of a share of Kimberly stock for each share of American. The offer will expire on Feb. 27, 1959. The exchange is contingent on acceptance by all of the stockholders. Statement effective Jan. 23.

Laure Exploration Co., Inc., Arnett, Okla.
Dec. 23 filed 400,000 shares of common stock. **Price**—$2 per share. **Proceeds**—For machinery and equipment and exploration purposes. **Underwriter**—None.

● **Lefcourt Realty Corp.**
Jan. 29 filed 3,492,000 shares of common stock, of which 2,622,000 shares were issued in exchange for all of the common stock of Desser & Garfield, Inc., and D. G. & R., Inc.; 750,000 shares will be used for the exercise of an option by the company to purchase from Big Mound Trail Corp. some 3,784.9 acres of land on or before May 1, 1959; and the remaining 120,000 shares are to be sold for the account of a selling stockholder. **Underwriter**—None.

LEL, Inc. (2/16-20)
Jan. 22 (letter of notification) 150,000 shares of common stock (par 20 cents). **Price**—$1 per share. **Proceeds**—To retire loans and notes and for working capital. **Business**—Engaged in the design, manufacture and sale of electronic equipment. **Office** — 380 Oak St., Copiague, L. I., N. Y. **Underwriter**—Bertner Bros., New York, N. Y.

Life Insurance Securities Corp.
March 28, 1958, filed 1,000,000 shares of capital stock (par $1). **Price**—$5 per share. **Proceeds**—To acquire stock control of "young, aggressive and expanding life and other insurance companies and related companies and then to operate such companies as subsidiaries." **Underwriter**—First Maine Corp., Portland, Me.

Ling Electronics, Inc.
Jan. 27 filed 335,000 shares of common stock, to be offered in exchange for the outstanding capital stock of Altec Companies, Inc., on the basis of one share of Ling stock for one share of Altec stock. The offer is subject to acceptance by holders of at least 80% of the outstanding Altec stock.

LuHoc Mining Corp.
Sept. 29 filed 350,000 shares of common stock. **Price**—$1 per share. **Proceeds** — For the acquisition of properties under option and for various geological expenses, test drilling, purchase of equipment, and other similar purposes. **Offices**—Wilmington, Del., and Emporium, Pa. **Underwriter**—None.

Magic Mountain, Inc., Golden, Colo.
Jan. 27 filed 2,250,000 shares of common stock. **Price**—$1.50 per share. **Proceeds**—For construction and working capital. **Underwriter** — Allen Investment Co., Boulder, Colo., on a best-efforts basis.

Mairco, Inc.
Jan. 6 (letter of notification) 600 shares of common stock to be offered for subscription by stockholders of record Jan. 10, 1959 on the basis of one share of additional common stock for each five shares held; rights to expire on Jan. 30, 1959. **Price**—At par ($100 per share). **Proceeds**—For inventory and working capital. **Office**—1026 N. Main Street, Goshen, Ind. **Underwriter**—None.

Mid-America Minerals, Inc.
Jan. 19 filed 100 units of participations in Oil and Gas Fund (the "1959 Fund"). **Price**—$15,000 per unit. **Proceeds** — For working capital, etc. **Office** — 500 Mid-America Bank Bldg., Oklahoma City, Okla. **Underwriter**—Midamco, Inc., a wholly-owned subsidiary, Oklahoma City, Okla.

● **Military Publishing Institute, Inc. (2/16)**
Dec. 9 (letter of notification) 125,000 shares of common stock (par 5 cents). **Price**—$2 per share. **Proceeds**—For general corporate purposes and working capital. **Office**—55 West 42nd Street, New York 36, N. Y. **Underwriter**—C. H. Abraham & Co., Inc., 565 Fifth Ave., New York 17, N. Y.

Millsap Oil & Gas Co.
Dec. 23 filed 602,786 shares of common stock. **Price**—$1 per share. **Proceeds** — For additional working capital. **Office**—Siloam Springs, Ark. **Underwriter**—None.

★ **Minnesota Fund, Inc., Minneapolis, Minn.**
Feb. 4 filed (by amendment) an additional 200,000 shares of common stock (par one cent). **Price**—At market. **Proceeds**—For investment.

Mississippi Chemical Corp., Yazoo City, Miss.
Dec. 24 filed 200,000 shares of common stock (par $5) and 8,000 shares of special common stock (par $75). **Price**—For common stock, $8.75 per share; for special common stock, $131.25 per share. **Proceeds**—For construction program, to purchase shares of Coastal Chemical Corp. (a subsidiary), and the balance will be added to surplus. **Underwriter**—None.

Montana Power Co.
July 1 filed $20,000,000 of first mortgage bonds due 1988. **Proceeds** — Together with other funds, to be used to repay $15,500,000 in bank loans and to carry on the company's construction program through 1959. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Lehman Bros.; Merrill Lynch, Pierce, Fenner & Smith and Stone & Webster Securities Corp. (jointly); White, Weld & Co.; Eastman Dillon, Union Securities & Co.; Kidder Peabody & Co., Smith, Barney & Co. and Blyth & Co., Inc. (jointly). **Bids**—Had been expected to be received up to noon (EDT) on Aug. 26 at Room 2033, Two Rector St., New York, N. Y., but company on Aug. 22 again decided to defer sale pending improvement in market conditions.

Montana Power Co.
July 1 filed 100,000 shares of common stock (no par). The stock will be offered only to bona fide residents of Montana. **Price**—To be related to the current market price on the New York Stock Exchange. **Proceeds**—Together with other funds, to carry on the company's construction program through 1959. **Manager-Dealers**—Smith, Barney & Co., Kidder, Peabody & Co. and Blyth & Co., Inc. **Offering**—Indefinitely postponed.

National Telefilm Associates, Inc.
Jan. 30 filed 56,000 outstanding shares of common stock. The company is advised that Family Broadcasting Corp. (1) will transfer 22,222 shares in satisfaction of an indebtedness in the principal amount of $200,000, (2) will offer 29,306 such shares in exchange for its outstanding 20,933 class A common shares, and (3) has no present plans for the disposition of the remaining 4,472 NTA shares plus any of said 29,306 NTA shares not exchanged with its class A common stockholders.

● **National Theatres, Inc. (2/16-17)**
Dec. 30 filed $20,000,000 5½% sinking fund subordinated debentures due March 1, 1974, stock purchase warrants for 454,545 shares of common stock (par $1) and 485,550 warrants to purchase debentures and stock purchase warrants. The debentures and stock purchase warrants are to be offered in exchange for National Telefilm Associates, Inc. common stock at the rate of $11 of debentures and one warrant to purchase one-quarter of a share of National Theatres, Inc. stock for each NTA share. **Dealer-Managers** — Cruttenden, Podesta & Co., Cantor, Fitzgerald & Co., Inc., and Westheimer & Co.

Naylor Engineering & Research Corp.
Sept. 29 (letter of notification) 300,000 shares of cumulative voting and non-assessable common stock. **Price**—At par ($1 per share). **Proceeds**—For organizational expenses and first three months' operational expenses. **Office**—1250 Wilshire Blvd., Los Angeles 17, Calif. **Underwriter**—Waldron & Co., San Francisco 4, Calif.

Nedow Oil Tool Co.
May 5 (letter of notification) 150,000 shares of common stock (par one cent). **Price**—$2 per share. **Proceeds**—To pay loan; to acquire fishing tools for leasing; and for working capital. **Office**—931 San Jacinto Bldg., Houston, Tex. **Underwriter**—T. J. Campbell Investment Co., Inc., Houston, Tex.

New Jersey Investing Fund, Inc., New York
Dec. 9 filed 200,000 shares of capital stock. **Price**—At market. **Proceeds**—For investment. **Investment Adviser and Distributor**—Spear, Leeds & Kellogg, New York.

★ **Northern Indiana Public Service Co. (3/10)**
Feb. 10 filed $25,000,000 of first mortgage bonds, series J, due Jan. 15, 1989. **Proceeds** — To be used for gross additions to utility properties of the company including prepayment of bank loans incurred for construction program. **Underwriter** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; Equitable Securities Corp.; Lehman Brothers and Bear, Stearns & Co. (jointly); Eastman Dillon, Union Securities & Co.; The First Boston Corp.; White, Weld & Co.; Dean Witter & Co.; Blyth & Co., Inc. and Merrill Lynch, Pierce, Fenner & Smith (jointly); Harriman Ripley & Co., Inc. **Bids** — Expected to be received on March 10.

Nylonet Corp.
Nov. 24 (letter of notification) 600,000 shares of common stock (par 10 cents). **Price**—50 cents per share. **Proceeds**—For working capital. **Office**—20th Ave., N. W. 75th St., Miami, Fla. **Underwriter**—Cosby & Co., Clearwater, Fla

Oak Ridge, Inc.
Sept. 4 (letter of notification) 100,000 shares of common stock (par $1). **Price** — $3 per share. **Proceeds** — For working capital. **Office**—11 Flamingo Plaza, Hialeah, Fla. **Underwriter** — Henry & Associates, Inc., 11 Flamingo Plaza, Hialeah, Fla.

O. K. Rubber Welders, Inc.
Dec. 15 filed 60,600 shares of common stock, $43,333.33 of 3¼% debentures maturing on or before May 6, 1965, $692,000 of 6% debentures maturing on or before Dec 31, 1974 and $123,000 of 7% debentures due on or before May 6, 1965. The company proposes to make a public offering of 25,000 shares of common stock at $10 per share. The remaining shares and the debentures are subject to an exchange offer between this corporation, O. K. Rubber, Inc., and O. K. Ko-op Rubber Welding System, on an alternative basis. **Proceeds**—Of the public offering, will be used for additional working capital and/or to service part of the company's debt. **Office**—551 Rio Grande Ave., Littleton, Colo. **Underwriter**—None.

Odlin Industries, Inc.
Nov. 12 filed $250,000 of 5½% convertible debentures and 250,000 shares of common stock (par 10 cents). **Price**—Debentures at 100% and stock at $3 per share. **Proceeds**—To purchase a textile mill, machinery, equipment and raw materials, and to provide working capital. **Office**—375 Park Ave., New York, N. Y. **Underwriter**—Harris Securities Corp., New York, N. Y., has withdrawn as underwriter.

Oil, Gas & Minerals, Inc.
Nov. 16 (letter of notification) 116,000 shares of common stock (par 35 cents). **Price**—$1 per share. **Proceeds**—For development of oil and gas properties. **Office**—513 International Trade Mart, New Orleans 12, La. **Underwriter**—Assets Investment Co., Inc., New Orleans, La.

Oppenheimer Fund, Inc.
Dec. 5 filed 100,000 shares of capital stock. **Price**—At market (about $10 per share). **Proceeds**—For investment. **Office**—25 Broad St., New York. **Underwriter**—Oppenheimer & Co., New York.

Pacific Petroleums Ltd.
Jan. 21 filed 160,792 shares of common stock. These shares have been, or may be, purchased by various firms and individuals pursuant to presenting outstanding options expiring June 30, 1959 (to the extent of 137,492 shares), or have been purchased pursuant to an option which expired Aug. 29, 1958 (to the extent of 23,300 shares). The company will not receive any proceeds from any sales of these shares.

Pacific Power & Light Co. (3/3)
Jan. 27 filed 207,852 shares of common stock, which the company proposes to offer to common stockholders of record March 3, 1959 at the rate of one new share for each 20 shares held; rights to expire on March 25. **Proceeds**—For construction program. **Underwriters** — To be determined by competitive bidding. Probable bidders: Lehman Brothers, Eastman Dillon, Union Securities & Co., Bear, Stearns & Co. and Dean Witter & Co. (jointly); Ladenburg, Thalmann & Co.; Kidder, Peabody & Co. **Bids**—Expected to be received up to 8 a.m. (PST) on March 3.

Paramount Mutual Fund, Inc.
Jan. 2 filed 300,000 shares of capital stock. **Price**—Minimum purchase of shares is $2,500. **Proceeds**—For investment. **Office**—404 North Roxbury Drive, Beverly Hills, Calif. **Underwriter**—Paramount Mutual Fund Management. Co.

Peckman Plan Fund, Inc., Pasadena, Calif.
May 19 filed 20,000 shares of common stock (par $1) **Price**—At market. **Proceeds**—For investment. **Underwriter**—Investors Investments Corp., Pasadena, Calif.

Pennsylvania Power Co.
Aug. 1 filed $8,000,000 of first mortgage bonds due 1988 **Proceeds**—To redeem a like amount of 5% first mortgage bonds due 1987. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.; White Weld & Co. Equitable Securities Corp., and Shields & Co. (jointly) Lehman Brothers, Eastman Dillon, Union Securities & Co., Salomon Bros. & Hutzler and Ladenburg, Thalmann & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith and Dean Witter & Co. (jointly). **Bids** — Tentatively had been expected to be received up to 11 a.m. (EDT) on Aug. 27 but company on Aug. 22 decided to defer sale pending improvement in market conditions.

★ **Perfecting Service Co., Charlotte, N. C.**
Feb. 2 (letter of notification) 30,000 shares of common stock. **Price**—At par ($10 per share). **Proceeds**—For accounts receivable and inventories. **Office** — 332 Atando Ave., Charlotte, N. C. **Underwriter**—None.

● **Piedmont Natural Gas Co., Inc. (2/27)**
Feb. 4 filed 56,301 shares of common stock (par $1) to be offered for subscription by common stockholders at the rate of one new share for each 10 shares held about Feb. 27, 1959 (with an oversubscription privilege); rights to expire on or about March 16. **Price**—To be supplied by amendment. **Proceeds** — For construction program. **Underwriter**—White, Weld & Co., New York.

★ **Piggly Wiggly Alabama Distributing Co., Inc.**
Feb. 4 (letter of notification) 3,000 shares of 6% non-cumulative preferred stock. **Price** — At par ($100 per shares). **Proceeds** — For equipment, inventories and working capital. **Office**—2524 First Ave., West, Birmingham, Ala. **Underwriter**—None.

Pilgrim Helicopter Services, Inc.
Jan. 9 (letter of notification) 12,000 shares of common stock (par $3). **Price** — $5 per share. **Proceeds** — For working capital. **Office**—Investment Bldg., Washington 5, D. C. **Underwriter**—Sade & Co., Washington 5, D. C.

Pioneer Electronics Corp.
Jan. 26 (letter of notification) 25,000 shares of common stock (par $1). **Price**—$7.87½ per share. **Proceeds**—To go to selling stockholders. **Office**—2235 South Carmelina Avenue, Los Angeles 64, Calif. **Underwriter**—Neary, Purcell & Co., Los Angeles, Calif.

Prairie Fibreboard Ltd.
Aug. 18 filed 209,993 shares of common stock (par $1.50) to be offered for sale to residents of Canada in the Provinces of Manitoba, Saskatchewan and Alberta and to residents of the United States "only in the State of North Dakota." **Price** — $3 per share. **Proceeds** — For construction purpose. **Office** — Saskatoon, Saskatchewan, Canada. **Underwriter**—Allied Securities Ltd., and United Securities, Ltd., both of Saskatoon, Canada.

★ **Price (T. Rowe) Stock Fund, Inc.**
Feb. 3 filed (by amendment) an additional 50,000 shares of capital stock (par $1). **Price**—At market. **Proceeds**—For investment. **Office**—Baltimore, Md.

Prudential Enterprises, Inc.
Jan. 15 (letter of notification) 200,000 shares of common stock (par one cent) of which 170,000 shares are to be sold by the company and 30,000 shares by a selling stockholder. **Price** — $1.50 per share. **Proceeds** — For general expansion and working capital. **Office**—1108 16th Street, N.W., Washington 6, D. C. **Underwriter**—John C. Kahn Co., Washington, D. C.

Public Service Co. of Indiana, Inc. (2/17)
Jan. 21 filed $25,000,000 of first mortgage bonds, series M, due Feb. 1, 1989. **Proceeds**—To repay bank loans and for construction costs. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co., Salomon Bros. & Hutzler and Eastman Dillon, Union Securities & Co. (jointly); The First Boston Corp.; Blyth & Co., Inc.; Glore, Forgan & Co.; Harriman Ripley & Co. Inc. **Bids**—Expected to be received up to 10:30 a.m. (CST) on Feb. 17, at Room 2000, 11 So. LaSalle St., Chicago, Ill.

Raindor Gold Mines, Ltd.
Jan. 28 (letter of notification) 290,000 shares of common stock (par $1). **Price**—$1 per share. **Proceeds**—To prove up ore and for road and camp construction. **Office**—At Suite 322, 200 Bay St., Toronto, Ont., Canada, and c/o T. Arnold, Wilson Circle, Rumson, N. J. **Underwriter**—Sano & Co., New York, N. Y.

Rassco Financial Corp.
June 26 filed $1,000,000 of 15-year 6% series A sinking fund debentures due 1973, to be offered in denominations of $500 and $1,000. **Price**—At par. **Proceeds**—For working capital and general corporate purposes. **Underwriter**—Rassco Israel Corp., New York, on a "best efforts" basis.

Richmond Cedar Works Manufacturing Corp.
Jan. 14 (letter of notification) $171,500 of six-year 5.6% convertible subordinated debentures to be offered to common stockholders of record Jan. 27, 1959 on the basis of $100 of debentures for each 100 common shares or fractional part thereof held; warrants expire Feb. 16, 1959. **Price**—At par. **Proceeds**—To purchase materials and supplies, equipment, etc. **Address**—P. O. Box 2407, Richmond 18, Va. **Underwriter**—None.

Richwell Petroleum Ltd., Alberta, Canada
June 26 filed 1,998,716 shares of common stock (par $1). Of this stock, 1,174,716 shares are to be sold on behalf of the company and 824,000 shares for the account of certain selling stockholders. The company proposes to offer the 1,174,716 shares for subscription by its shareholders at the rate of one new share for each three shares held (with an oversubscription privilege). The subscription period will be for 30 days following issuance of subscription rights. **Price**—To be supplied by amendment. **Proceeds**—To pay off demand note, to pay other indebtedness, and the balance if any will be added to working capital. **Underwriter** — Pacific Securities Ltd., Vancouver, Canada.

● **Rochester Gas & Electric Corp.**
Jan. 16 filed 280,000 shares of common stock (no par) being offered for subscription by stockholders of record Feb. 5, 1959, at the rate of one new share for each nine shares, or portion thereof, then held; rights to expire on Feb. 24. Unsubscribed shares are offered to employees. **Price**—$37.50 per share. **Proceeds**—To be used in connection with the company's construction program, including the discharge of short-term obligations, the proceeds of which were so used. **Underwriter** — The First Boston Corp., New York.

Routh Robbins Investment Corp.
Jan. 29 filed 475,000 shares of common stock. **Price**—$1 per share. **Proceeds** — For investments and working capital. **Business** — Real estate investments. **Office** — Alexandria, Va. **Underwriter**—None.

● **Royal McBee Corp.**
Jan. 26 (letter of notification) 1,867 shares of common stock (par $1) to be awarded to sales personnel, distributors, dealers, and service personnel, pursuant to a sales contest. **Office**—Westchester Ave., Port Chester, N. Y. **Underwriter**—None. Statement withdrawn.

St. Paul Ammonia Products, Inc.
Dec. 29 filed 250,000 shares of common stock (par 2½ cents), to be offered for subscription by common stockholders at the rate of one new share for each four shares held. **Price**—$2.50 per share. **Proceeds**—For additional working capital. **Office**—South St. Paul, Minn. **Underwriter**—None.

● **San Diego Imperial Corp., San Diego, Calif.**
Dec. 9 filed 845,000 shares of common stock (par $1) which were issued in exchange for all of the 45,000 out-

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standing shares of capital stock of Silver State Savings & Loan Association and 3,000 shares of capital stock of Silver State Insurance Agency, Inc., both of Denver, Colo. Statement effective Jan. 23.

Sawhill Tubular Products, Inc. (2/25)
Jan. 30 filed 225,000 outstanding shares of common stock (no par value). **Price**—To be supplied by amendment. **Proceeds**—To selling stockholders. **Office**—27 Council Ave., Wheatland, Pa. **Underwriters**—McDonald & Co., Cleveland, Ohio; and Kidder, Peabody & Co., New York.

Selected Risks Insurance Co.
Jan. 23 (letter of notification) 8,500 shares of common capital stock (par $10) to be issued to stockholders upon exercise of warrants on the basis of one share for each 13 2/17th shares held (after giving effect to a stock dividend of 11½%). The warrants expire on March 16, 1959. **Price**—$35 per share. **Proceeds**—For working capital. **Office**—Branchville, N. J. **Underwriter**—None.

Service Life Insurance Co.
Sept. 26 (letter of notification) 3,567 shares of common stock (par $1). **Price**—$18.75 per share. **Proceeds**—To go to a selling stockholder. **Office**—400 W. Vickery Blvd., Fort Worth, Tex. **Underwriter**—Kay & Co., Inc., Houston, Tex.

Shares in American Industry, Inc.
Dec. 12 filed 50,000 shares of common stock. **Price**—At market. **Proceeds**—For investment. **Office** — 1033-30th St., N. W., Washington 7, D. C. **Investment Advisor**—Investment Fund Management Corp. **Former Name**—Shares in America, Inc.

Sheridan-Belmont Hotel Co.
Aug. 19 (letter of notification) $250,000 of 6% convertible debentures due Sept. 15, 1963 to be offered for subscription by common stockholders on a pro rata basis. **Price**—At par. **Proceeds**—For working capital. **Office** — 3172 North Sheridan Rd., Chicago 14, Ill. **Underwriter**—None.

Sire Plan of Elmsford, Inc., New York
Nov. 10 filed $250,000 of 6% 10-year debentures and 5,000 shares of 6% participating preferred stock (par $50) to be offered in units of a $50 debenture and one share of preferred stock. **Price**—$100 per unit. **Proceeds**—For acquisition of motels. **Underwriter**—Sire Plan Portfolios, Inc., New York.

Southwestern States Telephone Co. (2/17)
Jan. 27 filed 150,000 shares of common stock, of which 140,000 shares are to be offered for public sale and 10,000 to company employees. **Price** — To be supplied by amendment. **Proceeds**—For construction program. **Office** —300 Montgomery St., San Francisco, Calif. **Underwriter** —Dean Witter & Co., San Francisco and New York.

★ **Spacetronics, Inc.**
Jan. 29 (letter of notification) 23,750 shares of class A voting common stock (par 10 cents) and 191,250 shares of class B non-voting common stock (par 10 cents). **Price**—$1 per share. **Proceeds**—For research and development and other working capital. **Office** — 1109 16th Street, N. W., Washington 6, D. C. **Underwriter**—None.

Sports Arenas (Delaware) Inc.
Nov. 18 filed $2,000,000 of 6% 10-year convertible debentures (subordinated), due Jan. 1, 1969. **Price**—To be supplied by amendment. **Proceeds**—$750,000 to pay AMF Pinspotters, Inc. for bowling alley beds; $350,000 to pay for other installations, fixtures and equipment; $85,000 to expand two present establishments by increasing the number of alley beds by eight at Yorktown Heights and by six at Wilton Manor Lanes, Fort Lauderdale; $300,000 for deposits on leaseholds, telephones and utilities; and $395,000 for working capital. **Underwriter**—None.

Sports Arenas (Delaware) Inc.
Nov. 18 filed 461,950 shares of common stock (par one cent). **Price**—At the market (but in no event less than $6 per share). **Proceeds**—To selling stockholders. **Office** —33 Great Neck Rd., Great Neck, N. Y. **Underwriter**—None.

Standard Manufacturing Corp. (2/16)
Jan. 16 (letter of notification) 150,000 shares of class A common stock (par 10 cents). **Price**—$2 per share. **Proceeds**—To pay loans; purchase machinery, tools and dies; inventory; and for working capital. **Office**—1100 South Central Park Ave., Chicago 24, Ill. **Underwriter**—Plymouth Securities Corp., New York, N. Y.

★ **Standard Security Life Insurance Co. of New York (3/2-6)**
Feb. 9 filed 200,000 shares of common stock (par $2). **Price**—$7.50 per share. **Proceeds** — To increase capital and surplus. **Office**—221 West 57th St., New York, N. Y. **Underwriters**—Ira Haupt & Co. and Savard & Hart, both of New York.

● **Standard Sign & Signal Co. (3/16)**
Dec. 17 (letter of notification) 300,000 shares of common stock. **Price**—At par ($1 per share). **Proceeds**—To promote and expand the development of the Safety School Shelter business. **Office**—c/o Brown Kendrick, 6130 Preston Haven Drive, Dallas, Texas. **Underwriter** —Sano & Co., New York, N. Y.

★ **State Bond & Mortgage Co., New Ulm, Minn.**
Feb. 6 filed (by amendment) an additional $1,000,000 of Accumulative Certificates Series 108, $10,000,000 of Accumulative Certificates Series 115, and $10,000,000 of Accumulative Certificates Series 120. **Proceeds**—For investment.

State Life, Health & Accident Insurance Co.
July 9 (letter of notification) 50,000 shares of common stock (par $1). **Price**—$5 per share. **Proceeds**—To be invested in stocks and bonds and to acquire other life insurance companies. **Address**—P. O. Box 678, Gulfport, Miss. **Underwriter**—Gates, Carter & Co., Gulfport, Miss.

★ **Stein Roe & Farnham Stock Fund, Inc.**
Feb. 4 filed (by amendment) an additional 494,000 shares of caiptal stock (par $1). **Price**—At market. **Proceeds**—For investment. **Office**—Chicago, Ill.

Strategic Minerals Corp. of America, Dallas, Tex.
March 31 filed $2,000,000 of first lien mortgage 6% bonds and 975,000 shares of common stock (par 10 cents). **Price** —For bonds, 95% of principal amount; and for stock $1 per share. **Proceeds**—To erect and operate one or more chemical processing plants using the Bruce - Williams Process to beneficiate manganese ores. **Underwriter**—Southwest Shares, Inc., Austin, Texas.

★ **Surveillance Fund, 1959, Ltd.**
Feb. 6 filed $300,000 of participation in capital as Limited Partnership Interests. **Proceeds**—For acquisition and exploration of oil and/or gas properties. **Office**—500 Mid-America Bank Building, Oklahoma City, Okla. **Underwriter**—None.

● **Talcott (James), Inc. (2/25)**
Feb. 4 filed 150,000 shares of common stock (par $9). **Price**—To be supplied by amendment. **Proceeds** — For general corporate purposes. **Underwriters**—F. Eberstadt & Co. and White, Weld & Co., both of New York.

★ **Texas Instruments, Inc., Dallas, Texas**
Feb. 11 filed 691,851 shares of common stock (par $1) and 737,974 shares of 4% cumulative preferred stock, series 1959 (25 par—convertible on or prior to May 1, 1969), to be offered in exchange for common stock of Metals & Controls Corp.

★ **Thomas & Betts Co. (2/25)**
Feb. 5 filed 300,000 shares of common stock (par $1). **Price** — To be supplied by amendment. **Proceeds** — To selling stockholders. **Business** — Manufactures a broad line electrical raceway accessories and conductor connectors of basic use in virtually all phases of the electrical industry. **Underwriter**—Smith, Barney & Co., New York.

TV Junior Publications Inc. (2/24)
Jan. 26 filed 150,000 shares of common stock and warrants for the purchase of an additional 150,000 shares of common stock, to be offered in units of one share of stock and one warrant. Of this offering, 120,000 units will be offered for the account of the company and 30,000 units will be sold for the account of selling stockholders. **Price** —$2.50 per unit. **Proceeds**—To repay loans by company officials and past-due payables owing chiefly to Promotion Press; and the balance for working capital and expansion of circulation. **Office**—225 Varick St., New York. **Underwriter**—Charles Plohn & Co., New York.

Union Bag-Camp Paper Corp.
Jan. 8 filed 23,282 shares of capital stock (par $6.66⅔) being offered in exchange for shares of capital stock of Highland Container Co. in ratio of 0.58 share of Union Bag for one share of Highland. The offer will expire at 3:30 p.m. (EST) on March 2, unless it is accepted prior to its expiration of stockholders holding more than 25,000 of the outstanding shares, the exchange offer will be cancelled. If the exchange offer is so accepted by the holders of more than 25,000, but less than 36,000 such shares, the exchange offer may be cancelled at the option of Union Bag by written or telegraphic notice to the exchange agent given on or before March 4.

United Control Corp., Seattle, Wash. (2/18)
Jan. 28 filed 200,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Proceeds**—To reduce bank loans and for working capital. **Underwriter**—Blyth & Co., Inc., New York, and San Francisco.

United Employees Insurance Co.
April 16 filed 2,000,000 shares of common stock (par $5). **Price** — $10 per share. **Proceeds** — For acquisition of operating properties, real and/or personal, including office furniture, fixtures, equipment and office space, by lease or purchase. **Office** — Wilmington, Del. **Underwriter**—None. Myrl L. McKee of Portland, Ore., is President.

United Security Life & Accident Insurance Co.
Aug. 22 filed 120,000 shares of class A common stock **Price**—$3 per share. **Proceeds**—To provide the reserves required to be held in life and accident insurance policies, and to pay the necessary expenses in producing insurance. **Office**—Louisville, Ky. **Underwriter**—None Edmond M. Smith. is President.

United States Glass & Chemical Corp.
Nov. 26 filed 708,750 outstanding shares of common stock. **Price**—At market. **Proceeds** — To selling stockholders. **Office**—Tiffin, Ohio. **Underwriter**—None.

U. S. Land Development Corp. (2/16-20)
Jan. 16 filed 1,055,000 shares of common stock. **Price**—At par ($1 per share). **Proceeds** — To be added to the company's general funds and used to develop Pineda Island and other properties that may be acquired. **Underwriters**—Aetna Securities Corp., New York, and Roman & Johnson, Ft. Lauderdale, Fla., on a best efforts basis.

United States Pool Corp. (2/16-20)
Jan. 16 (letter of notification) 150,000 shares of common stock (par one cent). **Price**—$2 per share. **Proceeds**—For working capital and general corporate purposes. **Office**—27 Haynes Ave., Newark, N. J. **Underwriter**—Ross, Lyon & Co., Inc., New York.

United Tourist Enterprises, Inc.
Jan. 28 filed 4,500,000 shares of class A common stock (par 50 cents). **Price**—$2 per share. **Proceeds**—For development and construction of a "Western Village" and for construction of a Grand Estes Hotel and Convention Hall, to be constructed in the immediate vicinity of Estes Park Chalet, located in Larimer County, Colo. **Office** — 330 South 39th Street, Boulder, Colo. **Underwriter**—Mid-West Securities Corp., Littleton, Colo.

Uranium Corp. of America, Portland, Ore.
April 30, 1957 filed 1,250,000 shares of common stock (par 16 cents). **Price**—To be supplied by amendment (expected to be $1 per share). **Proceeds**—For exploration purposes. **Underwriter**—To be named by amendment. Graham Albert Griswold of Portland, Ore., is President.

Utah Minerals Co.
April 11 (letter of notification) 900,000 shares of common stock. **Price**—At par (10 cents per share). **Proceeds** —For mining expenses. **Office**—305 Main St., Park City, Utah. **Underwriter**—Walter Sondrup & Co., Salt Lake City, Utah.

Utah Oil Co. of New York, Inc.
May 6 (letter of notification) 300,000 shares of capital stock. **Price** — At par ($1 per share). **Proceeds** — For development of oil and gas lands. **Office**—574 Jefferson Ave., Rochester 11, N. Y. **Underwriter**—Frank P. Hunt & Co., Inc., Rochester, N. Y.

Venture Options, Inc.
Jan. 27 (letter of notification) 60,000 shares of common stock (no par). **Price**—$5 per share. **Proceeds**—To be deposited with member firms of the New York Stock Exchange to guarantee Puts and Calls written by the company and to cover expenses. **Office**—730 Fifth Ave., New York 19, N. Y. **Underwriter**—Barsh & Co., 663 Main Ave., Passaic, N. J.

★ **Walnut Grove Products Co., Inc.**
Feb. 9 filed $500,000 of 6% sinking fund debentures, series B, due 1969. **Price**—100% of principal amount. **Proceeds**—For capital improvements. **Office**—Atlantic, Iowa. **Underwriter**—The First Trust Co. of Lincoln, Neb.

● **Western Gas Service Co. (2/17-18)**
Jan. 29 filed 104,500 shares of common stock of which it is proposed to offer 4,500 shares for subscription by certain employees. **Price**—To be supplied by amendment. **Proceeds**—Together with other funds, will be used to pay a short-term bank loan of $5,700,000. **Office**—9065 Alameda Avenue, El Paso, Texas. **Underwriter**—Underwood, Neuhaus & Co., Inc., Houston, Texas.

William Hilton Inn Co.
Jan. 19 filed together with The William Hilton Trust, $600,000 of trust participation certificates, 9,000 shares of class A common stock (non voting), and 600 shares of class B common stock (voting); to be offered in 600 units, each consisting of 10 certificates ($100 face amount), 15 class A shares and 1 class B share. **Price**—$1,160 per unit. **Proceeds**—Together with bank borrowings, will be used to purchase from the Sea Pines Plantation Co. a tract of approximately three acres of ocean front property on Hilton Head Island, to construct the Inn, purchase all furniture, fixtures and equipment necessary to operate the Inn and to provide necessary working capital (and to reimburse Sea Pines Plantation for some $20,000 of costs advanced by it. **Underwriter**—The Johnson, Lane, Space Corp., Savannah, Ga.

Wilmington Country Club, Wilmington, Del.
Oct. 27 filed $500,000 of debentures due 1991 (non interest bearing) and 800 shares of common stock (par $25) to be offered to members of this club and of Concord Ltd. **Price**—$375 per common share and $1,000 per debenture. **Proceeds** — To develop property and build certain facilities. **Underwriter**—None.

Wyoming Corp.
Nov. 17 filed 1,449,307 shares of common stock. Of these shares 1,199,307 are subject to partially completed subscriptions at $2, $3.33 and $4 per share; and the additional 250,000 shares are to be offered initially to shareholders of record Nov. 1, 1958, in the ratio of one new share for each 2.33 shares held on that date. **Price**—$4 per share. **Proceeds**—$300,000 will be used for payments on contract to purchase shares of International Fidelity Insurance Co.; $325,000 for capitalization of a fire insurance company; $500,000 for capitalization of a title insurance company; $500,000 for additional capital contribution to Great Plains Development Co.; and $300,000 as an additional capital contribution to Great Plains Mortgage Co. **Office**—319 E. "A" St., Casper, Wyo. **Underwriter**—None.

Prospective Offerings

Alabama Power Co. (4/30)
Dec. 10 it was announced that the company plans the issue and sale of $20,000,000 of 30-year first mortgage bonds. **Proceeds** — For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Lehman Brothers; Eastman Dillon, Union Securities & Co., Equitable Securities Corp. and Drexel & Co. (jointly); Harriman Ripley & Co., Inc. and Goldman, Sachs & Co. (jointly); Morgan Stanley & Co.; Blyth & Co., Inc. and Kidder, Peabody & Co. (jointly); The First Boston Corp. **Registration**—Planned for April 3. **Bids**—Expected to be received on April 30.

All American Markets, Downey, Calif.
Jan. 30 it was reported that the company plans a common stock offering. **Business**—Chain of grocery stores. **Underwriter**—J. Barth & Co., San Francisco, Calif. **Offering**—Expected sometime in April.

● **Broad Street Trust Co., Philadelphia, Pa.**
Feb. 2 it was announced that the Bank is offering 32,000 additional shares of common stock (par $10) to its common stockholders of record Jan. 22, 1959, on the basis of 16 new shares of common stock for each 149 shares then held; rights to expire on Feb. 16. **Price**—$35 per share. **Proceeds**—To increase capital and surplus. **Underwriters**—Hallowell, Sulzberger, Jenks, Kirkland & Co. and Stroud & Co., Inc., both of Philadelphia, Pa.

California Electric Power Co. (3/31)
Jan. 21 it was announced that the company plans the issue and sale of 300,000 shares of common stock. **Proceeds**—To repay bank loans and for expansion program.

Underwriter—To be determined by competitive bidding. Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc.; Carl M. Loeb, Rhoades & Co. and Bear Stearns & Co. (jointly); White, Weld & Co.; and Kidder, Peabody & Co. **Bids**—To be received up to 9 a.m. (PST) on March 31.

Central Bank & Trust Co., Great Neck, L. I., N. Y.
Jan. 13 stockholders approved the sale of an additional 38,503 shares of capital stock to stockholders of record Feb. 20, 1959, on the basis of one new share for each five shares then held. **Price**—$20 per share. **Proceeds**—To increase capital and surplus. **Underwriter**—None.

Central Power & Light Co.
Jan. 26 it was reported that the company plans to sell $11,000,000 of first mortgage bonds. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Blyth & Co., Inc.; Lehman Brothers and Glore Forgan & Co. (jointly); Kidder, Peabody & Co.; Merrill Lynch, Pierce, Fenner & Smith and Salomon Bros. & Hutzler (jointly); Kuhn, Loeb & Co., A. C. Allyn & Co., Inc., and Bear, Stearns & Co. (jointly); Eastman Dillon, Union Securities & Co. **Bids**—Expected to be received sometime in April.

Chicago, Rock Island & Pacific RR. (2/24)
Bids will be received by the company at 139 West Van Buren St., Chicago 5, Ill., up to noon (CST) on Feb. 24 for the purchase from it of $5,130,000 equipment trust certificates maturing semi-annually from Aug. 15, 1959 to Feb. 15, 1974, inclusive. Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Bros. & Hutzler.

Columbia Gas System, Inc.
Dec. 1 it was reported that the company may issue and sell additional common stock in the first half of 1959. **Proceeds**—To repay outstanding bank loans. **Underwriter**—To be determined by competitive bidding. Probable bidders: Lehman Brothers and Eastman Dillon, Union Securities & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith, White, Weld & Co., Shields & Co. and R. W. Pressprich & Co. (jointly); Morgan Stanley & Co.

De Jur-Ansco Corp., New York City
Jan. 27 it was reported that the company is planning the sale of convertible debentures and common stock, but details have not yet been worked out. **Business**—Manufacturer and distributor of light meters, cameras, etc. **Underwriter**—H. M. Byllesby & Co., Inc., Chicago, Ill.

★ **El Paso Electric Co.**
Feb. 9 it was reported that the company is planning the sale of $3,500,000 of first mortgage bonds due 1989. **Proceeds**—For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co.; Merrill Lynch, Pierce, Fenner & Smith, Inc.; Stone & Webster Securities Corp.; Kidder, Peabody & Co.; White, Weld & Co. and Shields & Co. (jointly) Equitable Securities Corp. and R. W. Pressprich & Co. (jointly). **Bids**—Expected to be received some time in May.

★ **El Paso Electric Co.**
Feb. 9 it was reported that the company plans the sale of 20,000 shares of preferred stock (par $100). **Proceeds**—For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders; Eastman Dillon, Union Securities & Co.; Salomon Bros. & Hutzler & Co.; Kidder, Peabody & Co., and White, Weld & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith. **Bids**—Expected to be received some time in May.

★ **El Paso Electric Co.**
Feb. 9 it was reported that the company is also planning an offering of common stock to common stockholders on the basis of about one new share for each 25 shares held. **Proceeds**—For construction program. **Dealer-Manager**—Stone & Webster Securities Corp., New York.

★ **Florida Power Corp.**
Feb. 4, W. J. Clapp, President, announced that the corporation is planning to sell additional shares of common stock on the basis of one new share for each 12 shares held. **Proceeds**—For construction expenditures. **Underwriters**—Kidder, Peabody & Co. and Merrill Lynch, Pierce, Fenner & Smith Inc. **Offering**—Expected in June.

FXR, Inc., Woodside, N. Y.
Feb. 2 it was announced that company (formerly F & R Machine Works) is considering some additional financing, but types of securities to be offered have not as yet been determined.

Georgia Power Co. (9/10)
Dec. 10 it was announced that the company plans to issue and sell $18,000,000 of 30-year first mortgage bonds. **Proceeds**—For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders Halsey, Stuart & Co. Inc.; Blyth & Co., Inc., Kidder, Peabody & Co. and Shields & Co. (jointly); Lehman Brothers; The First Boston Corp.; Morgan Stanley & Co.; Equitable Securities Corp. and Eastman Dillon, Union Securities & Co. (jointly); Harriman Ripley & Co. Inc. **Registration**—Planned for Aug. 14. **Bids**—Expected to be received on Sept. 10.

Great Atlantic & Pacific Tea Co., Inc.
Dec. 15 the new common voting stock outstanding following 10-for-1 split was listed on the New York Stock Exchange. A large secondary offering has been rumored. **Underwriters** — May include: Blyth & Co., Inc.; Lehman Brothers and Smith, Barney & Co.

Gulf Power Co. (4/2)
Dec. 10 it was announced that the company plans to issue and sell $7,000,000 of 30-year first mortgage bonds. **Proceeds**—For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith, Salomon Bros. & Hutzler and Drexel & Co. (jointly); Eastman Dillon, Union Securities & Co.; Equitable Securities Corp.; Kidder, Peabody & Co. and White, Weld & Co. (jointly); Blyth & Co., Inc. **Registration**—Planned for March 6. **Bids**—Expected to be received on April 2.

Heublein, Inc.
Aug. 25 it was reported that the company plans early registration of 400,000 shares of common stock; of which 100,000 shares are to be sold for the account of selling stockholders. **Proceeds**—For expansion. **Underwriter**—Glore, Forgan & Co., New York. **Offering**—Expected in 1959.

● **Interstate Motor Freight System, Inc. (Mich.)**
Dec. 1 it was reported that the company plans to issue and sell 125,000 shares of common stock. **Price**—$10.50 per share. **Underwriters**—A. C. Allyn & Co., Inc., and Walston & Co., Inc. **Offering**—Now being made.

Jersey Central Power & Light Co.
Jan. 12 it was reported that company is contemplating the sale of about $7,000,000 of first mortgage bonds. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.; Kidder, Peabody & Co.; Salomon Bros. & Hutzler and Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Lehman Brothers and Blair & Co., Inc., (jointly). **Offering**—Expected late this summer.

Jubilee Records
Feb. 2 it was announced that the company plans the issuance and sale of $1,500,000 of convertible preferred stock. **Proceeds**—For expansion. **Office**—1721 Broadway, New York, N. Y. **Underwriter**—Not yet named.

Kansas City Power & Light Co.
Dec. 29 it was reported that the company plans to issue and sell $20,000,000 of first mortgage bonds. **Proceeds**—For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; The First Boston Corp. and Blyth & Co., Inc. (jointly); Equitable Securities Corp.; White, Weld & Co. and Shields & Co. (jointly); Kuhn, Loeb & Co., Salomon Bros. & Hutzler and Eastman, Dillon, Union Securities & Co. (jointly); Lehman Brothers and Bear, Stearns & Co. (jointly). **Offering**—Expected in May or June.

Kansas Gas & Electric Co.
March 31, G. W. Evans, Chairman, announced that company plans to sell some bonds originally scheduled for mid-year of 1958. The proposed sale was subsequently deferred until early 1959. **Proceeds** — About $8,000,000 for construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co., and Merrill Lynch, Pierce, Fenner & Smith (jointly); Lehman Brothers; Eastman Dillon, Union Securities & Co. and Stone & Webster Securities Corp. (jointly); Glore, Forgan & Co., and Goldman Sachs & Co. (jointly).

Louisiana Power & Light Co.
Dec. 29 it was reported that the company plans to issue and sell $7,500,000 of preferred stock (par $100). **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co., Blyth & Co., Inc. and Shields & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith, Kidder, Peabody & Co. and Harriman Ripley & Co., Inc. (jointly); Salomon Bros. & Hutzler, Eastman Dillon, Union Securities & Co. and Equitable Securities Corp. (jointly); The First Boston Corp. and Glore, Forgan & Co. (jointly). **Bids**—Expected to be received sometime in April.

● **Miami Window Corp. (3/2-6)**
Dec. 15 it was reported that the company plans issuance and sale of $2,500,000 6½% debentures due 1974 (with attachable warrants—each $1,000 debenture to carry a warrant to buy 200 shares of common stock at $3 per share). **Underwriters**—Cruttenden, Podesta & Co., Chicago, Ill., and Clayton Securities Corp., Boston, Mass

Mississippi Power Co. (6/25)
Dec. 10 it was announced that this company plans to issue and sell $5,000,000 of 30-year first mortgage bonds **Proceeds**—For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co. and Equitable Securities Corp. (jointly); Merrill Lynch, Pierce, Fenner & Smith; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Registration**—Planned for May 29. **Bids**—Expected to be received on June 25.

Monongahela Power Co. (3/31)
Dec. 29 it was reported that the company plans the sale of about $16,000,000 of first mortgage bonds. **Proceeds**—For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co. and Salomon Bros. & Hutzler (jointly); Harriman Ripley & Co., Inc.; Equitable Securities Corp.; W. C. Langley & Co. and The First Boston Corp. (jointly); Merrill Lynch, Pierce, Fenner & Smith; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Bids**—Expected to be received on March 31.

National State Bank, Newark, N. J.
Jan. 27 stockholders were offered 80,000 shares of common stock on the basis of one new share for each six shares then held as of Jan. 23; rights to expire on Feb. 16. **Price**—$50 per share. **Proceeds**—To increase capital and surplus. **Underwriter**—Clark, Dodge & Co., New York.

North American Equitable Life Assurance Co.
Dec. 1 it was announced that the company plans an offering of 950,000 shares of capital stock. **Price** — $10 per share. **Proceeds**—To increase capital and surplus. **Underwriter**—John M. Tait & Associates, Cincinnati, Ohio.

Northern Illinois Gas Co.
Dec. 12 it was reported that the company will sell in 1959 about $35,000.000 of new securities, including some first mortgage bonds; in addition, there is a possibility of a preferred stock issue. **Proceeds**—For capital expenditures. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; The First Boston Corp.; Glore, Forgan & Co.; Blyth & Co., Inc.

Northern States Power Co. (Minn.)
Dec. 3, Allen S. King, President, announced that the company plans about the middle of 1959 to put out a common stock issue and possibly a $15,000,000 preferred stock issue if there is a satisfactory market. **Proceeds**—To repay bank loans and for construction program. **Underwriter** — To be determined by competitive bidding. Probable bidders (1) For preferred stock: Blyth & Co., Inc. and The First Boston Corp. (jointly); Lehman Brothers and Riter & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith; Harriman Ripley & Co., Inc. and Eastman Dillon, Union Securities & Co. (jointly); Kuhn, Loeb & Co. (2) For common stock: Lehman Brothers and Riter & Co. (jointly); The First Boston Corp., Blyth & Co., Inc. and Kuhn, Loeb & Co. (jointly); White, Weld & Co. and Glore, Forgan & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith.

★ **Ohio Power Co. (3/30)**
Feb. 9 it was reported that the company plans the issuance and sale of $25,000,000 first mortgage bonds due 1989. **Proceeds** — For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co. and Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Eastman Dillon, Union Securities & Co. and Salomon Bros. & Hutzler (jointly); Harriman Ripley & Co. Inc., and Stone & Webster Securities Corp. (jointly); Blyth & Co., Inc. **Bids**—Expected to be received up to 11 a.m. (EST) on March 30.

Our River Electric Co., Luxemburg
Dec. 22 it was reported that this company plans to offer $10,000,000 of bonds. **Underwriters**—The First Boston Corp. and Kuhn, Loeb & Co., both of New York.

Penn-Texas Corp.
Jan. 28, Alfons Landa, President, said the company may offer its stockholders $7,000,000 additional capital stock through subscription rights. **Purpose**—To acquire Fairbanks, Morse & Co. common stock. **Underwriter**—Bear, Stearns & Co., New York.

Pennsylvania Electric Co.
Jan. 12 it was reported that the company is planning the sale of about $17,000,000 of first mortgage bonds. **Underwriter** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Equitable Securities Corp.; Kidder, Peabody & Co.; Eastman Dillon, Union Securities & Co., Merrill Lnych, Pierce, Fenner & Smith Inc. and White, Weld & Co. (jointly); The First Boston Corp. and Harriman Ripley & Co. Inc. (jointly). **Offering**—Expected this Spring or early Summer.

Public Service Electric & Gas Co. (6/2)
Jan. 30 it was reported that the company plans sale of $30,000,000 to $40,000,000 debentures. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; The First Boston Corp.; Kuhn Loeb & Co. and Lehman Brothers (jointly); Morgan Stanley & Co. and Drexel & Co. (jointly). **Bids**—Tentatively expected to be received on June 2.

★ **Puget Sound Power & Light Co.**
Feb. 6 it was announced company plans to issue and sell $10,000,000 preferred stock this Spring. **Proceeds**—For construction program. **Underwriter** — May be Merrill Lynch, Pierce, Fenner & Smith, Inc., New York.

★ **Ritter Finance Co.**
Feb. 9 it was reported that the company plans early registration of an undetermined amount of stock, probably to take the form of a convertible preferred stock issue. **Underwriter**—Stroud & Co., Inc., Philadelphia, Pa. **Registration**—Planned for this month. **Offering**—Expected some time in March.

Ryder System, Inc.
Jan. 12 it was reported that the company plans the issuance and sale of 150,000 shares of common stock (par $5). **Proceeds**—For acquisitions. **Underwriter**—Blyth & Co., Inc., New York. **Offering**—Expected any day.

Southern Electric Generating Co. (5/28)
Dec. 10 it was announced that the company plans to issue and sell $25,000,000 of 30-year first mortgage bonds. **Proceeds**—For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co. and Equitable Securities Corp. (jointly); Merrill Lynch, Pierce, Fenner & Smith; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Registration**—Planned for May 1. **Bids**—Expected to be received on May 28.

Southern Pacific Co. (2/18)
Bids are expected to be received by the company at Room 2117, 165 Broadway, New York, N. Y., up to noon (EST) on Feb. 18 for the purchase from it of $7,125,000 equipment trust certificates. Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Bros. & Hutzler.

Southwestern Electric Power Co.
Jan. 26 it was reported that this company (formerly Southwestern Gas & Electric Co.) plans the issuance and sale of about $16,000,000 of first mortgage bonds. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc. and Eastman Dillon, Union Securities & Co. (jointly); Equitable Securities Corp.; Lehman Brothers; Kuhn, Loeb & Co.; Blyth & Co. Inc. **Bids**—Expected to be received in April or May.

Texas Eastern Transmission Corp.
Dec. 11 it was announced by W. Hargrove, Vice-President, that the corporation plans to raise about $90,000,-

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000 through the sale of new securities (tentative plans call for the sale of bonds, debentures and preferred stock). **Proceeds**—To refund $30,000,000 of outstanding bank loans, and the balance will be used for capital expenditures. **Underwriter**—Dillon, Read & Co. Inc., New York.

Texas Gas Transmission Co.
Jan. 13 it was reported that the company has filed an application with the Federal Power Commission covering $40,000,000 of additional financing. It is believed that $10,000,000 of this new capital will be raised via a common stock offering and the rest will consist of first mortgage bonds. **Proceeds**—For expansion program. **Underwriter**—Dillon, Read & Co., Inc., New York. **Offering**—Not expected for some time.

Uptown National Bank of Chicago
Jan. 15 the Bank offered to its stockholders of record Jan. 15, 1959 the right to subscribe for 10,000 additional shares of capital stock (par $25) at the rate of one new share for each five shares held; rights to expire on March 5. **Price**—$35 per share. **Proceeds**—To increase capital and surplus.

Venezuela (Government of)
July 1 the Government announced that Kuhn, Loeb & Co. and Kidder, Peabody & Co., both of New York, have been selected as financial advisors to develop a financial program for the country. As a first step in the program a short-term credit is being negotiated between the government in cooperation with the two investment banking firms and a syndicate of commercial banks in the United States, Canada and the United Kingdom. The three institutions which are to head this syndicate are The Chase Manhattan Bank, The First National City Bank of New York, and Bank of America National Trust & Savings Association. The Chase Manhattan Bank will be the fiscal agent for the credit. The amount of the new financing involved is in the neighborhood of $250,000,000. The purpose is to restore government balances which have been reduced by the repayment of excessive short term obligations previously incurred.

Virginia Electric & Power Co. (6/2)
Jan. 5 it was reported that the company plans the sale of from $20,000,000 to $25,000,000 of additional common stock. **Proceeds**—For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Merrill Lynch, Pierce, Fenner & Smith; Stone & Webster Securities Corp. **Bids**—Expected to be received on June 2.

West Penn Power Co. (5/26)
Dec. 29 it was reported the company contemplates the issue and sale of about $15,000,000 of first mortgage bonds. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Lehman Brothers and Eastman Dillon, Union Securities & Co. (jointly); The First Boston Corp. and Harriman Ripley & Co. Inc. (jointly); Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Bids**—Expected to be received on May 26.

Wisconsin Power & Light Co. (4/15)
Jan. 12 it was reported that the company contemplates the sale of $14,000,000 first mortgage bonds. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Smith, Barney & Co. and Robert W. Baird & Co. (jointly); Equitable Securities Corp. and Eastman Dillon, Union Securities & Co. (jointly); White, Weld & Co., Kidder, Peabody & Co. and Salomon Bros. & Hutzler (jointly); The First Boston Corp. **Bids**—Expected to be received on April 15. **Registration**—Planned for March 9.

Worcester Gas Light Co.
Aug. 18 it was reported that the company plans the sale of $5,000,000 first mortgage bonds. **Proceeds**—For construction program. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Estabrook & Co. and Coffin & Burr, Inc. (jointly); Kidder, Peabody & Co. and White, Weld & Co. (jointly).

Our Reporter's Report

However disappointed the investment world might have been by the high rate of attrition attending the U. S. Treasury's latest refinancing operation, the government and corporate markets appeared to have discounted the situation pretty fully in advance.

Certainly the Treasury market has been behaving satisfactorily since the start of the week and the same holds true of gilt-edge corporate obligations. The overall situation, especially as far as the corporate list is concerned has been eased considerably by reason of the fact that new emissions have been extremely light.

This week, in fact, was marked by a virtual hiatus in the debt issue market with Reynolds Metals Co.'s offering of 550,000 shares of convertible preferred stock making up the period's choicest opportunity for investors.

But, people who are in a position to judge the situation are satisfied that the dearth of offerings is not a consequence of lack of investment funds. On the contrary they feel that there is an abundance of money seeking to go to work in new securities.

There is this big "if," however, —that such new offerings be made attractive to the prospective buyer as regards price and yield. Feeling is that in spite of all the hue and cry about rising cost of financing, the investor with funds is rather comfortably ensconced in the driver's seat just now.

The Federal Reserve Board, if it is to help ward off new inflation as the Administration urges, cannot very well afford to swell the volume of credit available and thus force money rates down at this time.

Reynolds Preferred

Reynolds Metals Co. found the track clear and fast when bankers brought out its 550,000 shares of convertible second preferred stock carrying a 4.5% dividend rate.

Offered at $100, the shares which are convertible into common, subject to the company's right of redemption at $75, was reported in wide demand and moving out quickly.

The big aluminum maker is raising the funds involved in order to pay the cost of acquiring a 49% interest in the British Aluminum Co. Ltd. largely through purchases in the open market to block entry into the English firm by Aluminum Co. of America which had made a bid for its authorized but unissued stock.

Japanese Issue on Tap

The Japanese Government is slated to come into the New York money market next week for the first time in some years when it offers a total of $30 million of its bonds for purchase by American investors.

The bonds are being offered in four series maturing in three-four-five and 15-years. The largest block, $15 million carries the longest maturity and a 5½% coupon rate against 4½% on the other three.

Proceeds will be added to the dollar holdings of the government's foreign exchange pool.

The Week's Roster

The only other substantial new debt issue up for bids next week is Public Service Co. of Indiana's $25 million of bonds on which tenders will be opened Tuesday.

On Wednesday, when the Japanese Government issue is due out, investors also will have an opportunity to look over 200,000 shares of common stock of United Controls Corp., of Seattle, Wash. On the same day, Southern Pacific has $7,125,000 of equipment trust certificates slated for bidding.

Thursday brings opening of books on Central Illinois Electric & Gas Co.'s "rights" offering of 145,940 shares of common to its holders.

A. V. Bianco Opens

ROSLYN HEIGHTS, N. Y.—Albert V. Bianco is engaging in a securities business from offices at 390 Willis Avenue.

B. O. Cooper Opens

(Special to THE FINANCIAL CHRONICLE)

BELLEVILLE, Ill. — Benjamin O. Cooper is conducting a securities business from offices at 3605 West Main Street. Frank R. Choura is associated with him.

Colby Thompson Opens

(Special to THE FINANCIAL CHRONICLE)

LA JOLLA, Calif. — Colby Thompson is conducting a securities business from offices at 7825 Ivanhoe.

Joins Copley Staff

(Special to THE FINANCIAL CHRONICLE)

COLORADO, SPRINGS, Colo.— L. D. Anderson is now affiliated with Copley and Company, Independence Building.

Merrill Lynch Branch

MIAMI, Fla. — Merrill Lynch, Pierce, Fenner & Smith Incorporated has opened a new branch office at 100 Biscayne Boulevard under the management of Matthew J. Smith.

But Don't Forget, Mr. President!

Q.—Mr. President, what is your answer to critics who say the national economy cannot expand at a rate of 5% a year unless the Federal Government makes a bigger investment annually in public facilities of all kinds?

A.—Well, I don't want to be a critic myself, but I do not believe that that question is really the one we ought to be asking because it is not the Federal Government that makes prosperity in this country. After all, we are talking within the reasonable future of a GNP (Gross National Product) of $500,000,000,000 and now we're talking about spending for all purposes $77,000,000,000, or a figure in that level.

Pres. Eisenhower

It is quite clear that the decisions of 175,000,000 people and the way they make those decisions based upon their own need is far more important than what the Federal Government does.

The Federal Government needs to lead, to point the way to do the things, as Lincoln said, that people cannot do for themselves, such as providing for the national security. That kind of problem they have to take initial and sole responsibility for.

But when it comes to the advancing and expanding our economy, that is by and large the business of Americans and the Federal Government can help but our expenditures will never be—our money, our Federal money—will never be spent so intelligently and in so useful fashion for the economy as will the expenditures that would be made by the private citizen, the taxpayer if he hadn't had so much of it funneled off into the Federal Government.—From the question and answer session with President Eisenhower at the National Press Club last week.

We wish we could say that the President seemed always to bear these excellent ideas in mind!

7th Annual Institute of Investment Banking Announced

WASHINGTON, D. C.—Announcement folders on the 7th annual session of the Institute of Investment Banking, scheduled for the week of March 22-27, in Philadelphia, are now being mailed to member organizations and to prospective registrants, it was announced by William D. Kerr, of Bacon, Whipple and Co., Chicago, President, Investment Bankers Association of America.

Sponsored by the Association in cooperation with the Wharton School of Finance and Commerce, University of Pennsylvania, the Institute offers an executive development program for officers, partners and other seasoned personnel of IBA member organizations.

Registrants attend the Institute one week in the spring for three years and upon completion of the program receive a Certificate of Merit in recognition of their specialized training in the investment banking business. It is expected that about 60 certificates will be awarded at the graduation exercises Friday, March 27, the concluding day.

Several features added to the Institute program in 1958 are being continued according to Robert O. Shepard, President, Prescott, Shepard and Co., Inc., Chairman, of the IBA Education Committee:

Five evening Forums open to all registrants: investment companies; public relations; estate planning, current legal regulatory and legislative problems; corporate underwriting and syndicating.

A case-study problem on estate planning.

Conducted tours of Philadelphia and the University Campus.

Three cash prizes aggregating 1,000 will be awarded to the writers of the winning Institute essays, one prize for each of the three classes. In addition, the winning writers will be invited to attend the Annual Convention of the Association where they will be presented to the delegates and their manuscripts will be published for distribution.

Institute eligibility requirements have been altered into two respects:

(1) Effective with the 1959 Institute, to qualify for enrollment in the first year class, the applicant must have had at least three years of experience in the securities business or the applicant must be at least 30 years of age.

(2) Effective with the 1958 Insitute, registrants in the first and second year classes are required to submit an essay of 2,000 words on an Institute topic if they wish to continue in the Institute program. Registrants in the first and second year classes at the 1958 Institute who did not submit an essay by the deadline date (June 15, 1958) are not eligible to enroll at the 1959 Institute. Such 1958 registrants who wish to re-enroll in the Institute for a session subsequent to 1959 may write to the Educational Director, IBA Washington office, for information on meeting re-enrollment requirements.

In view of the preferred list applicants carried over from last year, and the advance interest shown in the 1959 session, Mr. Shepard noted, applications may again exceed the available facilities this year.

Official application forms are being mailed only to the main office of member organizations. Applications for branch office personnel should be channeled through the member main office.

A. C. Allyn Co. Opens Cedar Rapids Branch

CEDAR RAPIDS, Iowa — A. C. Allyn & Co. has opened a branch office in the Merchants National Bank Building, with Glenn Ravenscroft in charge. Mr. Ravenscroft formerly conducted his own investment business in Cedar Rapids for many years.

Newman Adds to Staff

(Special to THE FINANCIAL CHRONICLE)

COLORADO SPRINGS, Colo.— Maurice S. Farabee has been added to the staff of Newman and Co., Mining Exchange Building.

Indications of Current Business Activity

The following statistical tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either for the week or month ended on that date, or, in cases of quotations, are as of that date:

		Latest Week	Previous Week	Month Ago	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:					
Indicated Steel operations (per cent capacity)	Feb. 15	§83.5	*80.8	74.6	53.5
Equivalent to—					
Steel ingots and castings (net tons)	Feb. 15	§2,363,000	*2,288,000	2,111,000	1,445,000
AMERICAN PETROLEUM INSTITUTE:					
Crude oil and condensate output—daily average (bbls. of 42 gallons each)	Jan. 30	7,107,135	7,193,535	7,122,335	6,842,385
Crude runs to stills—daily average (bbls.)	Jan. 30	¶8,113,000	8,311,000	8,256,000	7,548,000
Gasoline output (bbls.)	Jan. 30	27,514,000	28,101,000	29,714,000	27,040,000
Kerosene output (bbls.)	Jan. 30	2,957,000	2,465,000	3,080,000	2,486,000
Distillate fuel oil output (bbls.)	Jan. 30	14,972,000	15,009,000	14,593,000	12,543,000
Residual fuel oil output (bbls.)	Jan. 30	7,600,000	7,779,000	7,056,000	7,497,000
Stocks at refineries, bulk terminals, in transit, in pipe lines—					
Finished and unfinished gasoline (bbls.) at	Jan. 30	197,511,000	*192,883,000	186,462,000	204,559,000
Kerosene (bbls.) at	Jan. 30	20,910,000	21,388,000	26,057,000	23,179,000
Distillate fuel oil (bbls.) at	Jan. 30	96,745,000	100,402,000	126,056,000	123,121,000
Residual fuel oil (bbls.) at	Jan. 30	57,867,000	59,924,000	60,525,000	57,502,000
ASSOCIATION OF AMERICAN RAILROADS:					
Revenue freight loaded (number of cars)	Jan. 31	582,636	*555,547	467,699	550,532
Revenue freight received from connections (no. of cars)	Jan. 31	553,692	524,800	435,784	535,374
CIVIL ENGINEERING CONSTRUCTION — ENGINEERING NEWS-RECORD:					
Total U. S. construction	Feb. 5	$284,240,000	$418,223,000	$259,989,000	$322,937,000
Private construction	Feb. 5	154,541,000	231,413,000	85,389,000	182,733,000
Public construction	Feb. 5	129,699,000	186,810,000	174,600,000	140,204,000
State and municipal	Feb. 5	107,877,000	125,952,000	144,106,000	111,388,000
Federal	Feb. 5	21,822,000	60,858,000	30,494,000	28,816,000
COAL OUTPUT (U. S. BUREAU OF MINES):					
Bituminous coal and lignite (tons)	Jan. 31	8,550,000	8,005,000	7,015,000	8,120,000
Pennsylvania anthracite (tons)	Jan. 31	521,000	442,000	447,000	461,000
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE = 100	Jan. 31	106	105	104	98
EDISON ELECTRIC INSTITUTE:					
Electric output (in 000 kwh.)	Feb. 7	13,292,000	13,151,000	13,554,000	12,289,000
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.	Feb. 5	271	322	321	342
IRON AGE COMPOSITE PRICES:					
Finished steel (per lb.)	Feb. 3	6.196c	6.196c	6.196c	5.967c
Pig iron (per gross ton)	Feb. 3	$66.41	$66.41	$66.41	$66.42
Scrap steel (per gross ton)	Feb. 3	$43.83	$42.50	$40.17	$37.33
METAL PRICES (E. & M. J. QUOTATIONS):					
Electrolytic copper—					
Domestic refinery at	Feb. 4	29.600c	28.675c	28.600c	24.400c
Export refinery at	Feb. 4	28.850c	29.025c	26.800c	20.625c
Lead (New York) at	Feb. 4	12.000c	12.000c	13.000c	13.000c
Lead (St. Louis) at	Feb. 4	11.800c	11.800c	12.800c	12.800c
‡Zinc (delivered) at	Feb. 4	12.000c	12.000c	12.000c	10.500c
Zinc (East St. Louis) at	Feb. 4	11.500c	11.500c	11.500c	10.000c
Aluminum (primary pig. 99%) at	Feb. 4	24.700c	24.700c	24.700c	26.000c
Straits tin (New York) at	Feb. 4	101.500c	100.125c	98.000c	92.750c
MOODY'S BOND PRICES DAILY AVERAGES:					
U. S. Government Bonds	Feb. 10	86.12	85.54	86.02	94.32
Average corporate	Feb. 10	89.78	89.64	90.20	95.92
Aaa	Feb. 10	93.97	93.67	94.71	102.80
Aa	Feb. 10	92.20	92.20	92.79	99.36
A	Feb. 10	89.78	89.64	89.78	96.07
Baa	Feb. 10	83.53	83.53	84.17	86.65
Railroad Group	Feb. 10	88.40	88.13	88.40	91.77
Public Utilities Group	Feb. 10	89.23	89.37	90.06	98.09
Industrials Group	Feb. 10	91.62	91.62	92.20	98.25
MOODY'S BOND YIELD DAILY AVERAGES:					
U. S. Government Bonds	Feb. 10	3.82	3.88	3.83	2.98
Average corporate	Feb. 10	4.43	4.44	4.40	4.01
Aaa	Feb. 10	4.14	4.16	4.09	3.58
Aa	Feb. 10	4.26	4.26	4.22	3.79
A	Feb. 10	4.43	4.44	4.43	4.00
Baa	Feb. 10	4.90	4.90	4.85	4.66
Railroad Group	Feb. 10	4.53	4.55	4.53	4.29
Public Utilities Group	Feb. 10	4.47	4.46	4.41	3.87
Industrials Group	Feb. 10	4.30	4.30	4.26	3.86
MOODY'S COMMODITY INDEX	Feb. 10	385.4	384.3	387.0	396.7
NATIONAL PAPERBOARD ASSOCIATION:					
Orders received (tons)	Jan. 31	293,331	289,474	††365,380	241,750
Production (tons)	Jan. 31	293,826	292,534	††320,797	244,049
Percentage of activity	Jan. 31	92	91	††55	82
Unfilled orders (tons) at end of period	Jan. 31	375,635	378,182	††405,256	340,841
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE = 100	Feb. 6	110.10	111.41	110.38	108.63
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS:					
Transactions of specialists in stocks in which registered—					
Total purchases	Jan. 17	3,030,260	3,033,910	2,785,000	1,628,660
Short sales	Jan. 17	565,090	485,450	473,130	394,750
Other sales	Jan. 17	2,563,620	2,695,430	2,195,750	1,349,890
Total sales	Jan. 17	3,128,710	3,180,880	2,668,880	1,744,640
Other transactions initiated on the floor—					
Total purchases	Jan. 17	491,330	549,150	562,100	393,670
Short sales	Jan. 17	56,700	43,000	40,400	78,300
Other sales	Jan. 17	526,890	538,910	500,160	320,170
Total sales	Jan. 17	583,590	581,910	540,560	398,470
Other transactions initiated off the floor—					
Total purchases	Jan. 17	993,710	893,850	902,500	659,935
Short sales	Jan. 17	184,650	137,740	191,780	278,620
Other sales	Jan. 17	1,032,569	1,029,020	915,514	471,415
Total sales	Jan. 17	1,217,219	1,166,760	1,107,294	750,035
Total round-lot transactions for account of members—					
Total purchases	Jan. 17	4,515,300	4,476,910	4,249,600	2,682,265
Short sales	Jan. 17	806,440	666,190	705,310	751,670
Other sales	Jan. 17	4,123,079	4,263,360	3,611,424	2,141,475
Total sales	Jan. 17	4,929,519	4,929,550	4,316,734	2,893,145
STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE — SECURITIES EXCHANGE COMMISSION:					
Odd-lot sales by dealers (customers' purchases)—†					
Number of shares	Jan. 17	2,471,409	2,456,705	1,832,249	1,388,699
Dollar value	Jan. 17	$124,660,797	$131,390,700	$107,754,083	$59,718,097
Odd-lot purchases by dealers (customers' sales)—					
Number of orders—Customers' total sales	Jan. 17	2,046,354	1,965,142	1,821,340	948,903
Customers' short sales	Jan. 17	6,905	8,707	9,354	35,357
Customers' other sales	Jan. 17	2,039,949	1,956,435	1,811,986	913,546
Dollar value	Jan. 17	$102,410,496	$101,409,733	$93,735,024	$40,765,537
Round-lot sales by dealers—					
Number of shares—Total sales	Jan. 17	492,000	494,960	596,790	195,840
Short sales	Jan. 17	------	------	------	------
Other sales	Jan. 17	492,000	494,960	596,790	195,840
Round-lot purchases by dealers—					
Number of shares	Jan. 17	914,450	936,740	618,110	676,810
TOTAL ROUND-LOT STOCK SALES ON THE N. Y. STOCK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):					
Total round-lot sales—					
Short sales	Jan. 17	895,990	783,230	871,810	1,291,120
Other sales	Jan. 17	21,512,010	21,003,020	19,203,650	11,358,970
Total sales	Jan. 17	22,408,000	21,786,250	19,675,460	12,650,090
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1947-49 = 100):					
Commodity Group—					
All commodities	Feb. 3	119.2	119.5	119.3	118.6
Farm products	Feb. 3	90.7	*91.9	91.6	94.2
Processed foods	Feb. 3	108.5	109.0	108.4	108.4
Meats	Feb. 3	102.3	102.8	102.1	99.1
All commodities other than farm and foods	Feb. 3	127.3	127.4	127.3	125.8

*Revised figure. ¶Includes 944,000 barrels of foreign crude runs. §Based on new annual capacity of 147,633,670 tons as of Jan. 1, 1959, as against Jan. 1, 1958 basis of 140,742,570 tons. †Number of orders not reported since introduction of Monthly Investment Plan. ‡Prime Western Zinc sold on delivered basis at centers where freight from East St. Louis exceeds one-half cent a pound. ††Eleven days ended Dec. 31, 1958.

	Latest Month	Previous Month	Year Ago
AMERICAN ZINC INSTITUTE, INC.—Month of December:			
Slab zinc smelter output all grades (tons of 2,000 pounds)	75,503	65,174	86,270
Shipments (tons of 2,000 pounds)	77,010	83,606	72,123
Stocks at end of period (tons)	190,237	191,744	166,660
COTTON GINNING (DEPT. OF COMMERCE):			
To Jan. 16 (running bales)	11,342,932	------	10,629,952
COTTON SEED AND COTTON SEED PRODUCTS—DEPT. OF COMMERCE—Month of December:			
Cotton Seed—			
Received at mills (tons)	541,659	1,112,360	925,266
Crushed (tons)	562,876	598,734	542,035
Stocks (tons) Dec. 31	1,929,864	1,951,081	1,616,446
Crude Oil—			
Stocks (pounds) Dec. 31	168,401,000	163,368,000	124,341,000
Produced (pounds)	189,981,000	205,160,000	180,635,000
Shipped (pounds)	161,294,000	152,982,000	144,356,000
Refined Oil—			
Stock (pounds) Dec. 31	184,117,000	130,537,000	132,316,000
Produced (pounds)	150,155,000	142,372,000	131,698,000
Consumption (pounds)	106,697,000	119,590,000	107,956,000
Cake and Meal—			
Stocks (tons) Dec. 31	78,464	106,724	246,341
Produced (tons)	267,204	283,913	246,686
Shipped (tons)	295,464	293,294	261,923
Hulls—			
Stocks (tons) Dec. 31	112,443	121,533	109,344
Produced (tons)	132,022	137,882	120,111
Shipped (tons)	141,112	138,026	107,015
FABRICATED STRUCTURAL STEEL (AMERICAN INSTITUTE OF STEEL CONSTRUCTION)—Month of December:			
Contracts closed (tonnage)—estimated	196,510	242,635	140,706
Shipments (tonnage)—estimated	266,600	271,088	320,210
INDUSTRIAL PRODUCTION—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM—1947-49 = 100—Month of Dec.:			
Seasonally adjusted	142	141	135
Unadjusted	146	144	134
METAL PRICES (E. & M. J. QUOTATIONS)—January:			
Copper—			
Domestic refinery (per pound)	28.635c	28.583c	25.114c
Export refinery (per pound)	27.927c	27.041c	21.253c
††London, prompt (per long ton)	£230.101	£220.994	£171.369
††Three months, London (per long ton)	£227.292	£220.732	£174.023
Lead—			
Common, New York (per pound)	12.667c	13.000c	13.000c
Common, East St. Louis (per pound)	12.467c	12.800c	12.800c
††London, prompt (per long ton)	£71.851	£72.202	£72.168
††Three months, London (per long ton)	£72.164	£72.327	£72.545
Zinc (per pound)—East St. Louis	11.500c	11.500c	10.000c
§§Zinc, prime Western, delivered (per pound)	12.000c	12.000c	10.500c
††Zinc, London, prompt (per long ton)	£74.884	£74.342	£62.568
††Zinc, London, three months (per long ton)	£72.932	£71.253	£62.179
Silver and Sterling Exchange—			
Silver, New York (per ounce)	90.206c	89.935c	89.449c
Silver, London (per ounce)	76.250d	76.167d	76.847d
Sterling Exchange (check)	$2.80647	$2.80380	$2.81322
Tin, New York Straits	99.345c	98.976c	92.692c
Gold (per ounce, U. S. price)	$35.000	$35.000	$35.000
Quicksilver (per flask of 76 pounds)	$218.000	$220.182	$220.692
¶Antimony, New York, boxed	32.590c	32.590c	36.590c
Antimony (per pound), bulk Laredo	29.000c	29.000c	33.000c
Antimony (per pound), boxed Laredo	29.500c	29.500c	33.500c
Platinum, refined (per ounce)	$52.000	$52.000	$77.000
†Cadmium, refined (per pound)	$1.45000	$1.45000	$1.55000
‡Cadmium (per pound)	$1.45000	$1.45000	$1.55000
§Cadmium (per pound)	$1.45000	$1.45000	$1.55000
Cobalt, 97% grade (per pound—ounce ton)	$2.00000	$2.00000	$2.00000
Aluminum 99% grade ingot weighted average (per pound)	$26.800	$26.800	$28.100
Aluminum, 99% grade primary pig	$24.700	$24.700	$26.000
Magnesium ingot (per pound)	35.250c	35.250c	35.250c
**Nickel	74.000c	74.000c	74.000c
Bismuth (per pound)	$2.25	$2.25	$2.25
MOTOR VEHICLE FACTORY SALES FROM PLANTS IN U. S.—AUTOMOBILE MANUFACTURERS' ASSN.—Month of December:			
Total number of vehicles	688,846	609,570	621,704
Number of passenger cars	594,393	514,480	534,846
Number of motor trucks	94,263	94,915	86,526
Number of motor coaches	190	175	332
NEW YORK STOCK EXCHANGE:			
As of Dec. 31 (000's omitted):			
Member firms carrying margin accounts—			
Total customers' net debit balances	$3,427,000	$3,369,000	$2,549,605
Credit extended to customers	146,000	124,000	67,824
Cash on hand and in banks in U. S.	357,000	346,000	342,360
Total of customers' free credit balances	1,159,000	1,148,000	896,064
Market value of listed shares	276,665,190	261,828,027	195,570,176
Market value of listed bonds	105,866,136	109,238,039	105,071,743
Member borrowings on U. S. Govt. issues	506,000	383,000	235,000
Member borrowings on other collateral	2,189,000	2,034,000	1,950,000
PORTLAND CEMENT (BUREAU OF MINES)—Month of December:			
Production (barrels)	23,590,000	28,031,000	22,386,000
Shipments from mills (barrels)	16,623,000	24,528,000	16,834,000
Stocks (at end of month—barrels)	30,459,000	23,688,000	28,729,000
Capacity used (per cent)	70	86	73
REAL ESTATE FINANCING IN NONFARM AREAS OF U. S. — HOME LOAN BANK BOARD—Month of Oct. (000's omitted):			
Savings and loan associations	$1,086,452	$1,021,859	$854,969
Insurance companies	150,420	135,951	131,554
Banks and trust companies	558,260	492,687	394,803
Mutual savings banks	175,104	170,394	131,389
Individuals	323,500	296,072	321,176
Miscellaneous lending institutions	562,783	479,045	391,857
Total	$2,856,519	$2,596,008	$2,225,748
SELECTED INCOME ITEMS OF U. S. CLASS I RYS. (Interstate Commerce Commission)—Month of October:			
Net railway operating income	$114,687,956	$93,564,725	$99,735,398
Other income	22,718,782	19,887,892	21,045,471
Total income	137,406,738	113,452,617	120,780,869
Miscellaneous deductions from income	4,440,555	4,507,051	5,049,132
Income available for fixed charges	132,966,183	108,945,566	115,731,737
Income after fixed charges	101,028,769	77,114,731	84,526,893
Other deductions	4,258,075	4,376,690	4,189,854
Net income	96,770,694	72,738,041	80,337,039
Depreciation (way & structure & equipment)	50,140,017	50,289,863	49,496,070
Federal incomes taxes	48,230,882	35,826,867	43,806,912
Dividend appropriations:			
On common stock	21,001,435	21,028,959	21,032,027
On preferred stock	1,356,424	834,205	1,287,556
Ratio of income to fixed charges	4.16	3.42	3.71

*Revised figure. †Average based on the producers' quotation. ‡Based on the average of the producers' and platers' quotations. §Average of quotation on special shares to platers. ¶Domestic five tons or more but less than carload lot boxed. §§Delivered where freight from East St. Louis exceeds 0.5c. **F.o.b. Fort Colburne U. S. duty included. ††Average of daily mean and bid and ask quotation at morning session of London Metal Exchange. ‡‡Increase all stocks.

Mutual Funds

By ROBERT R. RICH

Chemical Fund Plans 2-for-1 Stock Split

The directors of Chemical Fund, Inc. have recommended to stockholders a two-for-one stock split of the fund's capital stock. The proposal will be submitted for approval to Chemical Fund's stockholders at the annual meeting to be held on March 3, 1959. If approved, stockholders of record at the close of business March 26, 1959 will receive certificates for one additional share for each share held. The fund previously split its stock two-for-one in June, 1955.

The lower price resulting from the proposed stock split should enhance the marketability of the fund's shares by making them attractive to a larger number of investors, the fund's directors said in recommending the stock split to stockholders.

In order to effect the split-up, stockholders will be asked to vote on an increase in authorized capital stock from 15,000,000 shares of 50 cents par value to 30,000,000 shares of 25 cents par value. The cost of splitting the stock will be borne by F. Eberstadt & Co. Inc., manager and distributor of Chemical Fund, Inc.

Chemical Fund, Inc., a mutual fund founded by F. Eberstadt & Co. in 1938, diversifies its investments over a wide range of companies in many industries which the fund's management believes will achieve above average growth as a result of chemical research and development.

M. I. T. Made Giant Gains in Past Year

Massachusetts Investors Trust, the nation's first and largest mutual investment company, reports for the year ended Dec. 31, 1958, total net assets of $1,432,816,211, representing 107,295,924 shares outstanding, owned by 199,449 shareholders. These are the highest year-end figures in the 34-year history of the trust.

A year earlier the trust had total net assets of $976,108,094, with 100,469,960 shares outstanding and 184,215 shareholders. The increase in net assets over year-end 1957 was nearly 47%.

The per-share net asset value on Dec. 31 was $13.35, also a year-end high. Including the capital gain distribution of 12 cents per share declared Dec. 31, the per-share asset value was $13.47, compared with $9.72 a year ago, an increase of over 38%.

Purchases and sales of securities, other than Government securities and short-term notes, totaled $110,000,245 and $55,857,934, respectively, during 1958 compared with $84,348,582 and $40,018,289 in the previous year.

On Dec. 31, 1958, the trust held common stock investments in 123 companies in more than 25 different industries. The five largest industry holdings were in stocks of petroleum, utilities, steel, railroad and tire and rubber companies.

Major portfolio purchases for the fourth quarter of 1958 were Armco Steel; Santa Fe Ry.; C.I.T. Financial; Commonwealth Edison; Florida Power & Light; General Public Utilities; Libbey-Owens-Ford Glass; Eli Lilly & Co. "B"; National Steel; Newmont Mining; Norfolk & Western Ry.; Pullman; Republic Steel; Royal Dutch Petroleum; Seaboard Air Line RR.; Southern Pacific; Southern Ry.; U. S. Steel; and Youngstown Sheet & Tube Co.

Common stock eliminated from the portfolio were American Metal Climax; Diamond Alkali and Mission Development Co. Decreases in holdings were made in Crown Zellerbach; Ford Motor; Goodrich (B. F.); Monsanto Chemical; Sunray Mid-Continent Oil and United Aircraft Corporation.

Selected Amer. Shs. Assets and Value Rise to New Highs

Selected American Shares reports total net assets of $91,065,855 on Dec. 31, 1958, an increase of 52.3% over assets of $59,805,980 at Dec. 31, 1957. Outstanding shares of 9,021,995 compare with 8,001,847 a year ago. After a distribution of 26c a share from net capital gains in January, 1958, net asset value per share was $10.09 compared with $7.47 at Dec. 31, 1957. Income dividends declared in 1958 totaled 28c a share. A distribution of 45c a share from realized profits was paid in January, 1959.

At Dec. 31 common stocks represented 95.4% of assets, corporate bonds and notes of 2.9%, cash 1.7%. The largest industry holdings in common stocks were steel 10.7%, oil 10.4%, electrical & electronics 8.2%, metal (non-ferrous) 7.8%, electric utility and aviation 6.2% each.

In the most recent quarter, Selected American added 16 and eliminated 15 common stocks. New stocks include Fruehauf Trailer, Atlantic Refining, Cerro de Pasco, Detroit Edison, Mead Corp., Phillips Petroleum, Sinclair, Cities Service, Dow Chemical, Owens-Corning Fiberglas, J. C. Penney, International Paper, Bell & Howell, Charles Pfizer, Minneapolis Gas, and Consolidated Edison (N. Y.) Increases in prior stock holdings include Monsanto, Sperry Rand, RCA, Standard Oil (Ind.), American Viscose, Bendix Aviation, International Harvester, and Container Corp.

Eliminated from the portfolio were American Natural Gas, Atlantic Coastline, Babcock & Wilcox, Emhart Mfg., Ingersoll Rand, International Minerals & Chemicals, Jones & Laughlin, Kansas City Southern, National Dairy, Neptune Meter, Ohio Oil, Socony, Southern Railway, Trane Co., and United Aircraft. Reductions in prior stock holdings include sales of Standard Oil (N. J.), Parke Davis, Public Service of Indiana, Kroger, Commonwealth Edison, National Gypsum and Commercial Credit.

H. E. Ward, Jr., Opens

Harry E. Ward, Jr. is conducting a securities business from offices at 817 Fifth Avenue, New York City.

Madison Fund Head Skeptical of "Growth Stocks"

Madison Fund, Inc., is re-examining many of the so-called "growth stocks," and in some cases redefining them as "glamour shares," according to Edward A. Merkle, President of the closed-end investment trust.

In Mr. Merkle's opinion, a stock acquires glamour when the price no longer has any relationship to any foreseeable earnings. Glamour shares are not to be confused with "blue chips," which have a long-term record of per share earnings growth.

"There is nothing new about glamour in the stock market," Mr. Merkle said. "Over the past 10 years we have had several booms which were similar in character to the Florida land boom of earlier days." In Mr. Merkle's dictionary, these might be compared with a balloon ascension, and in retrospect, the subsequent declines were quite similar to the return to earth of the gas-filled vehicle when the gas seeped out.

In reviewing history, he reminded careless speculators of several events akin to the current rise of electronics, exotic fuels, and the similar stocks. In each case, at that particular time, anyone who didn't own the popular stock was considered to be bereft of his senses. Mr. Merkle listed these as typical individual instances, although emphasizing that they were only some of the many possible illustrations:

(1) The Louisiana off-shore oil boom—when McDermott rose to 76 in 1957 and declined to a low of 30 this year.

(2) The airline boom of some years ago—when American Airlines sold at 20 in 1946 and did not equal this price again until 1955.

(3) The aircraft manufacturing ascension—when Douglas sold at 90 in 1954, a price which has not been reached in the interim and is now at 60.

(4) The drug stocks — when Parke-Davis, as a representative issue, sold at 20 in 1951 and did not exceed this figure until 1958.

(5) The aluminums — when Alcoa sold at 136 in 1956 and reached a low of 60 this year.

(6) The uraniums — when Algom reached 25 in 1955 and is now 15.

"It is quite obvious that glamour is a perishable item, as many of yesterday's film stars might attest. At Madison Fund, we are looking for the ingenue of today who will be the star of tomorrow," Mr. Merkle went on. "To put it in financial terms, we believe that the selection of electronics, space-age, nuclear power and similar stock issues requires particular care. We have been fortunate at Madison Fund to be able to find under-valued defense stocks, 'blue chips' and growth issues which have shown us spectacular capital gains through the year. The key is selectivity."

Now With Walston Co.

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Herbert W. McGuire is now affiliated with Walston & Co., Inc., 265 Montgomery Street. He was previously with Reynolds & Co.

Rejoins Lichtman, Mong

(Special to THE FINANCIAL CHRONICLE)

MENLO PARK, Calif.—Morton E. Lichtman has rejoined Lichtman, Mong & Co., 1139 Chestnut Street. He has recently been with J. B. Hanauer & Co.

Century Shares Plans Stock Split

Century Shares Trust, a mutual fund specializing in the stocks of insurance companies and banks, plans a 3-for-1 stock split early in April, in order to bring the unit price per share to a level more in line with most other investment companies.

The fund reported sharp increases in total net assets and per share value during 1958.

(1) Total net assets increased 40% to $61,740,479 on Dec. 31 from $44,101,665 a year ago.

(2) After adding back a capital gains distribution of 63 cents per share resulting from securities profits, the net asset value per share was $28.75 as compared with $20.68 at the end of 1957. This represents an increase of 39% during the year.

At the year-end more than 30% of the Trust's shares were held by fiduciaries, philanthropic organizations and other institutional accounts. This is substantially greater than the 10.6% average of institutional holdings in investment companies as reported in a recent survey by the National Association of Investment Companies.

Unit'd Funds Group 1958 Sales Above $100 Million Mark

A record volume of sales was reported by the United Funds investment group in 1958, as the total topped the 100-million-dollar mark for the first time in any one year. Sales rose nearly 30% over 1957, Cameron K. Reed, President, announced. Marked gains also were reported in net asset value and total amount of earnings and distributions.

The number of shareholders in the mutual fund group exceeded 190,000 Dec. 31, representing a gain of about 45,000 for the year in contrast to the previous record gain of 25,000 in 1957, Mr. Reed said.

The four funds in the group—United Income, United Accumulative, United Continental and United Science—had a 63.6% increase in net assets during 1958, bringing the total to $559,651,737, compared with $342,170,115 a year before.

"At the present rate of growth the assets of the funds should equal or exceed $1 billion by 1962," Mr. Reed declared.

Plan retentions continue to gain, as reflected by the sales gain of more than $26½ million in 1958 over 1957, while redemptions increased about $4 million. The ratio of cash-ins to sales continue to run less than 16%, Mr. Reed pointed out.

Total amount received from the sale of shares last year was $116,410,521, compared with $89,809,954 in 1957.

United Income Fund's net assets Dec. 31 were $206,656,561, equal to $10.84 a share, compared with $138,034,833, or $8.24 a share a year earlier. The number of shares outstanding increased from 16,742,495 to 19,066,007.

United Acumulative Fund had net assets of $241,352,017, equal to $11.72 a share, against $139,258,160, or $8.99 a share a year before. The number of shares outstanding rose from 15,494,595 to 20,587,105.

United Continental Fund reported net assets of $37,747,411, equal to $7.78 a share, against $24,276,238, or $6.10 a share a year earlier. The number of shares outstanding increased from 3,981,576 to 4,848,768.

United Science Fund had net assets of $73,895,748, equal to $12.39 a share, against $40,600,884, or $9 a share a year previous. The number of shares outstanding increased from 4,510,158 to 5,966,397.

Total income — dividends and interest—received on investments in 1958 amounted to 14,463,155, up from $12,416,889 in 1957. The funds also realized gains from the sale of securities in the amount of $18,234,559, compared with $11,768,850.

Canada General Assets Up 24%, Share Value, 26%

Canada General Fund Limited, large American sponsored mutual fund investing in the securities of leading Canadian business corporations, reports sharp increases in the net asset value of its shares and total net assets over a year ago.

The fund's report for the first quarter of the present fiscal year to Nov. 30 reveals that:

(1) The per share value increased 26% to $14.03 from $11.15 a year earlier. At the fiscal year end on Aug. 31, the Fund's shares were valued at $13.30.

(2) Total net assets climbed 24% to $91,060,283 from $73,556,279 at the end of the corresponding period a year ago. Three months earlier, total net assets amounted to $85,759,791.

In accordance with the policy of the fund, net investment income for the three-month period was retained and reinvested for shareholders.

The board of directors has elected Henry T. Vance, who has served as President since the fund was organized, to Chairman of the Board. William F. Shelley, Vice-President, was elected as the new President.

At the annual meeting of shareholders, the board of directors was reelected and two new directors

were added to the board. The new directors, who are prominent in Canadian business life, are Ray E. Powell and Burnham L. Mitchell.

In a progress report of the fund's six-year history, note was made of these elements in the Canadian economy which have spurred the growth of business during this period:

	1952	1957
Population (millions)	14.4	16.9
Gross Nat'l Product (bil.)	$23.9	$31.4
Corporate Net Profit (bil.)	$1.3	$1.7
Common Stock Index	173	258
Industrial Production Index	233	284
Retail Trade (billions)	$11.3	$14.7
Gas Production (bil. c.f.)	6.6	17
Oil Production (mil. bbls.)	61	180
Oil Reserves (mil. bbls.)	1,740	4,800

The increases noted above are but a few of the signposts of progress but they are typical, the report said. "With these impressive figures as a backdrop," the report stated, "it is significant to note that the total government debt between 1951 and 1957 registered a net decline from $15.3 billion to $15.1 billion. Thus in Canada we see a picture of economic progress on one hand, and strengthened government financial position on the other."

The Canada General quarterly report revealed these additions to the portfolio: Northland Utilities, Shop & Save (1957) Ltd., Steinberg's Limited and Western Decalta Petroleum Limited. The preferred holdings in British Columbia Electric and Canada Safeway Limited, and the common stock commitment in Pacific Petroleums Ltd. were eliminated.

The fund also increased substantially its holdings in Algoma Steel Corporation Limited, Canadian Oil Companies Limited, British Columbia Power Corporation, and Shawinigan Water and Power Co.

Delaware Income Fund Assets Up 53%

Delaware Income Fund recorded a 53% increase in net assets in its fiscal year ended Nov. 30, 1958, according to the Fund's annual report.

Assets—boosted by sales of new shares and market appreciation of portfolio securities—climbed to $3,771,426 from $2,459,119 a year ago. Net asset value per share, after a special capital gains distribution of seven cents rose to $9.56 from $7.68. The Fund also paid out a total of 48 cents a share from net investment income in the 12 months.

The number of shareholders and shares outstanding also increased during the period. Some 1,800 individuals and institutions owned 394,602 shares at the fiscal year-end, compared with 1,600 shareholders and 320,255 shares outstanding on Nov. 30, 1957.

The bulk of Delaware Income Fund's assets was spread over 62 securities with 78.07% invested in common stocks. W. Linton Nelson, President, told shareholders that during the period management saw, especially in view of existing and anticipated market conditions, that a sizable investment in prior securities was in line with the Fund's objective: highest possible current income without undue risk of principal. "Thus, by the close of its fiscal year," he went on, "Delaware Income Fund's portfolio had been rounded out with a 12.85% investment in preferreds and 7.89% in bonds. The remaining 1.19% was held in cash and receivables."

Machinery, constituting 9.18% of total resources, represented the Fund's largest single industry holding on Nov. 30, last. Household followed close behind with 8.92%; railroad was third with 8.72%; automotive next with 8.47%; and 8.26% was invested in steel. Other large industry holdings included building, 8.16% of resources; retail, 7.25%; advertising, 6.33%; entertainment, 5.51%; and steamship, 3.98%.

Wellington Fund Sales at Record

Wellington Fund sales for 1958 established a record, according to Joseph E. Welch, Executive Vice-President. 1958 sales amounted to over $118 million, the highest for any year in the over 30 years of Wellington Fund's history, and an increase of over 23% compared with 1957. The comparable annual figures are as follows:

1958	$118,694,651
1957	95,764,359
Increase	$ 22,930,292

The month of December contributed to the record total with sales of nearly $11 million, an increase of almost $4 million over December of the previous year. The December figures are as follows:

December 1958	$10,967,286
December 1957	6,981,075
Increase	$ 3,986,211

The record sales, together with increases in securities values produced Wellington Fund totals of over $850 million at year-end. The comparable annual figures are as follows:

Dec. 31, 1958	$858,979,373
Dec. 31, 1957	604,578,038
Increase	$254,401,335

Nat'l Growth Assets Cross $50 Million

Assets of National Growth Stocks Series passed $50 million on Jan. 15 when net asset value totaled $50,197,816. The announcement was made by Henry J. Simonson, Jr., President of National Securities & Research Corporation, sponsor and manager of the National Securities Series of mutual funds.

In making the announcement, Mr. Simonson noted that there appears to be an increasing interest in growth stocks on the part of American investors.

In the slightly more than 12 months since Jan. 1, 1958, total assets of National Growth Stocks Series increased by more than $20 million, reflecting market appreciation and new purchases by investors. During this period shareowners rose from 23,300 to 28,000.

National Growth Stocks Series—an all common stock fund—has as its objective growth of capital and income over the long-term. Special consideration is given to securities of those corporations actively engaged in newer technological developments. Portfolio companies are active in such fields as atomic energy, electronics, rockets, pharmaceuticals, chemicals, glass, machinery, metals, petroleum and rubber.

Managed Funds Set New Records in 1958 Fiscal Year

Sharp gains in net assets shares outstanding, number of shareholders, dividends paid and sales enabled Managed Funds, Inc. to set new records in virtually all categories during Fiscal 1958, according to its annual report.

On Nov. 30, net assets of the nationally - distributed mutual fund group totaled $69.1 million, 43.1% higher than the $48.3 million figure a year earlier, and 223% above the total five years earlier.

Major contributors to the rise in net assets during the year were Paper Shares — up 73.9%; Metal Shares—up 51.3%; and General Industries Shares—up 45%.

Shares outstanding at the fiscal 1958 close came to 22.1 million, compared with 17.5 million on Nov. 30, 1957—a 26.4% rise. Managed Funds shares outstanding climbed 256% from Nov. 30, 1953.

A 30.6% jump in the total number of Managed Funds shareholders was reported for 1958—from 18,755 to 24,500. Over the 5-year fiscal period, the gain amounted to 218%.

Affiliated Fund Assets Now Exceed Half-Billion Mark

Net assets of Affiliated Fund, Inc. were well past the half billion mark at the end of 1958, two months after the completion of its 25th Anniversary year. The final 1958 figure was $510,975,957.

Primarily a common stock fund, Affiliated ranks fifth in size among all investment companies, first among those headquartered in New York.

Growth has brought the following advantages, according to the management:

(1) enabled the Fund to attract and hold able men

(2) to widen contacts and open new sources of investment information and

(3) to make substantial reductions in the ratio of operating expenses to net assets. In Fiscal 1958, for example, operating expenses amounted to 46 cents per $100 of net assets, compared with $2.00 in fiscal 1938. This means that the shareholder with a $10,000 investment paid $46 as his total expenses in 1958. (Fees for management, custodian, dividend disbursing agents, transfer agents, etc.) He paid $200 for the same service in 1938.

National's Share Value Shows 44.4% Gain

The asset value of each share of National Investors Corporation, the growth stock fund of the Broad Street Group of Mutual Funds, rose to an all-time high of $11.85 at the end of 1958, according to the annual report. This was up from [illegible] 12 months earlier and meant an increase of 44.4%, taking into account the 60 cents distributed to shareholders in December from gain realized on investments.

Net assets of the fund increased 51.8% in 1958 to $94,001,772 at the year-end and were the highest in National Investors' history by a wide margin, according to Francis F. Randolph, Chairman. In dollars, the gain was $32,068,245. According to Mr. Randolph, growth through the sale of new shares accounted for $4,909,196 of this amount and was at a rate more than double that in 1957.

Common stocks accounted for 95.5% of National Investors' net assets at Dec. 31, Mr. Randolph reported, and National Investors continued in the substantially fully invested position it has maintained for a number of years. The chairman went on to say that "the basic growth trend of the nation's economy seems firm, and continued confidence in the long-pull outlook for business and stock prices appears to be warranted. No change in the fund's overall investment position is planned or contemplated," he added.

At the year-end, oil stocks represented the largest individual group of holdings at 15.8%, followed closely by public utility stocks at 15.0%. Next in order were office equipment stocks at 11.3%, miscellaneous manufacturing stocks at 11.0%, drug and cosmetics stocks at 9.3% and electrical and electronics stocks at [illegible]%.

During the fourth quarter of 1958, investment positions were increased by the purchase of National Lead, Shamrock Oil & Gas, Western Casualty & Surety, Owens-Corning Fiberglas, Southland Royalty and Black & Decker. Investment positions were eliminated through the sale of Gillette and Smith Kline & French. Positions were reduced by the sale of Standard Oil of New Jersey, San Diego Gas & Electric, Addressograph-Multigraph, United Aircraft, Amerada Petroleum, and Minnesota Mining & Manufacturing.

Washington . . . And You

Behind-the-Scene Interpretations from the Nation's Capital

WASHINGTON, D. C. — The United States Senate, traditionally the more liberal branch of Congress when it comes to spending the taxpayers' money, has gotten off to a fast start. Before the end of the session, probably sometime in the summer, the taxpayers are likely to be dizzy from the spending headlines which this overwhelmingly Democratic controlled Congress appears destined to make.

One night last week the Senate passed a Housing Bill that would cost $2,675,000,000,000. The amount authorized is $1,000,000,000 greater over a six-year period than the Eisenhower Administration's own housing proposal. Just 24 hours later on the following night, the Senate passed a $465,000,000 Federal airport construction bill.

This brings up the question of what the President is going to do to emphasize upon the American people that his Administration should not have to shoulder the total responsibility of the big deficit that looms ahead, not only this year, but probably at the end of the 1960 fiscal year.

This also brings up the question: Why is the Senate more liberal spenders than the House? The fundamental answer is: The members of the House have to face the electorate every two years; the Senate every six years. However, it is not unusual for a liberal spending Senator to be a conservative the two years preceding election year.

Some of the President's advisers have been urging him to never pass up an opportunity to tell the American people that if the Democrats are going to continue spending billions of dollars more each year than is coming into the Treasury, then the same Congress should have the courage to raise taxes and more taxes, which are already staggering, they are so heavy.

The leadership in the Senate and the House has a grave responsibility on its hands to either help hold down spending, or have the courage and tell the people of the country: "We need some more tax money to meet the bills which we are approving."

Johnson Campaigning

Incidentally, Senate Majority Leader Lyndon B. Johnson is so busy eying the Democratic Presidential nomination at this time, that he spends out two or three times a day on subjects ranging from the space age to civil rights. The Texan wants the Presidency so much that he is pressing his own civil rights legislation.

Senator Johnson realizes the Democratic machinery in most Northern cities captured the Negro vote majority during the New Deal days. Neither he nor his fellow Texan, who runs the House, Speaker Sam Rayburn, wants to lose this big Northern Negro vote which is growing bigger and bigger each year. There appears to be no doubt that once a civil rights bill reaches the floor of the Senate or House, it will pass, simply because it is big political bait.

Too Many Parties

Congress still has not gotten down to its work load. After the traditional Lincoln Day speechmaking of the Republicans, the Committees usually settle down to a normal work load. The facts are most Congressmen have been on an almost constant round of parties and receptions since the session started. They are more fatigued from the party binges than they are from work.

Legislative Possibilities

It seems a little early to tell just where this session of Congress is going. Of course, it seems certain that there will be a big omnibus housing bill, and an airport construction bill, extending the draft for the military, and of course the regular appropriations for the various departments, agencies and bureaus, and the extension of corporate and excise taxes, but what about some of the other major proposals?

New debt limit legislation will have to be passed, it seems. In the doubtful category at this time is whether Hawaii will be voted into statehood, whether postal rates will be increased again, whether the Federal gasoline tax will be increased for the Interstate road program.

It would seem that some labor reform legislation will be passed, but any legislation that will be approved will be controversial. There is also a strong move afoot by labor to shorten the work week, and to increase the minimum pay. Congress should do something about the support price program which is costing the taxpayers more and more as surplus crops overflow warehouses all over the country.

Aid to Small Business

The Senate Select Small Business Committee issued a report a few days ago telling what it had done to help small business through small business legislation. The Committee described the 1958 act as greatly aiding small business in "overcoming competitive handicaps which are inherent in their small size." Lack of capital has held many small businesses back since World War II, but the Committee feels that the handicap has diminished considerably. Furthermore, it believes that the financial setup will help small new companies to start up over the country.

Under this act, small business investment companies must have a minimum of $300,000 of paid-in capital and surplus. If small companies can put up $150,000, then the Small Business Administration can lend up to 50% of the capital, thus giving an investment company at least $300,000 to hang out a sign, "Ready for Business."

Some pertinent testimony has been given before Chairman Paul H. Douglas (D.-Ill.) and the Joint Economic Committee recently. Witnesses have included at least a dozen professors of economics, industrialists and members of President Eisenhower's cabinet and assistant Secretaries.

Treasury's Problems Aired

Charles J. Gable, Jr., Assistant to the Secretary of the Treasury on the management of the public debt, brought some thought-provoking observations in his statement to the Committee in view of the colossal $283,000,000,000 public debt. This is equal to 63% of the total gross national product. It is also an amount equal to more than $1,600 for each man, woman and child in America. [See page 10 for Mr. Gable's statement in detail.]

The Assistant Secretary mildly surprised some members of the Joint Committee when he outlined the Treasury's refunding operations this year, one of the biggest of all time. The refunding not only consists of a weekly sum of $2,000,000,000 Treasury bills, but also $15,000,000,000 of maturities in February, $4,500,000,000 in May, $13,500,000,000 in August and $9,000,000,000 in November.

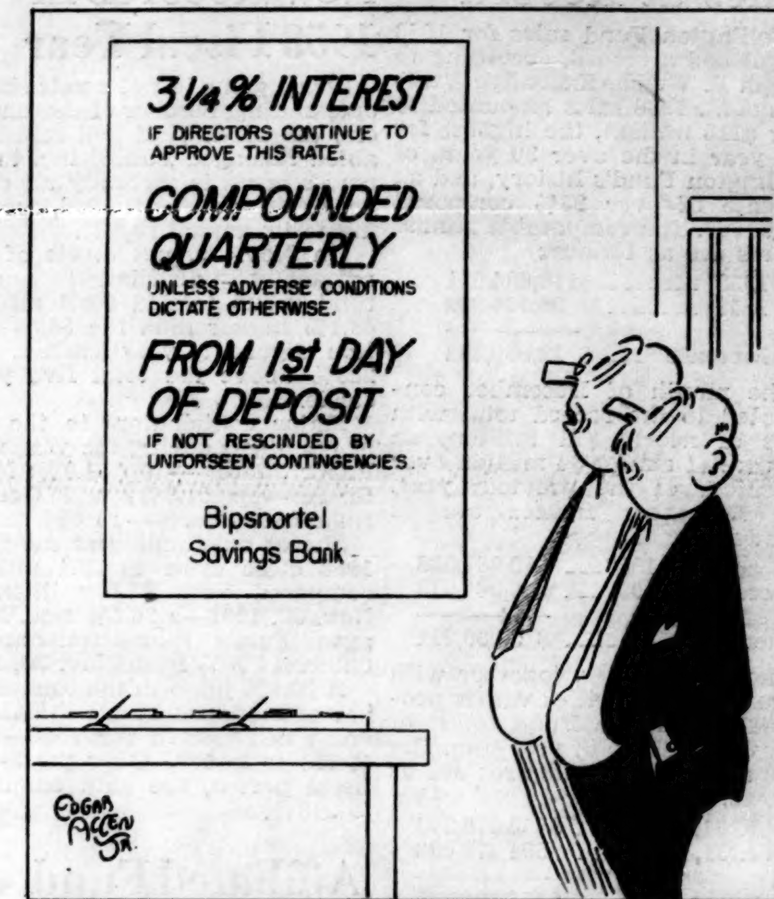
The February refunding, of course, saw a substantial attrition, and thus is resulting in additional bill offerings. The Treasury is already operating under a temporary debt ceiling of $288,000,000,000. The temporary ceiling will expire June 30 to the so-called permanent debt ceiling of $283,000,000,000. Therefore, with a $285,000,000,000 public debt estimated for June 30, it is obvious that Congress will be asked for new debt ceiling legislation. Because of the tremendous borrowing and money needs of the Treasury, the borrowing by the Federal Government has a tremendous impact on the interest rates of the country.

The policy of the Treasury Department on interest rates as set forth by Treasury officials is this: "The rate of economic growth and the extent to which demands for funds exceed available savings will, of course, set the basic environment in terms of interest rates and credit availability in which the Treasury will have to operate. Our borrowing, just like that of any other debtor, will continue to be done in a market environment in which neither maturing issues nor new issues are supported by the Federal Reserve. Government borrowing is borrowing which must be done and cannot be postponed.

". . . We will continue to secure our funds as largely as possible from true savers rather than from commercial banks in order to reduce the inflationary potential of our financing operations during a period of rising economic activity."

[This column is intended to reflect the "behind the scene" interpretation from the nation's Capital and may or may not coincide with the "Chronicle's" own views.]

BUSINESS BUZZ



"Think we may be carrying the conservative angle a bit too far, B. J.?"

Consumer Credit Gains Forecast

Vice-President-economist of Beneficial Finance System explains why consumers will enlarge the use of credit this year and opines the pendulum will swing back to hard goods.

Consumers will use more credit in 1959 than in recent years, predicts Dr. M. R. Neifeld, Vice-President and chief economist of the Beneficial Finance System.

M. R. Neifeld

He bases this prediction on the fact that during the recession, many consumers avoided contracting new obligations while they repaid old ones. Now, says Dr. Neifeld, these consumers are ready and able to enter the credit market. He warns, though, that they will not buy the same big-ticket items they formerly did.

Pick-Up in Hard Goods

During the recession consumers cut back hard goods purchases by $4.5 billion, though they spend $2.5 billion more than in 1957 on soft and non-durable goods and $6.5 billion more on services. Dr. Neifeld thinks the pendulum will swing back to hard goods as replacement needs are felt.

He finds the overall consumer credit picture to be a healthy one: the record of repayment during the recession was impressive with payment slowdowns and repossessions limited generally to areas of concentrated unemployment. The average consumer not only kept up with his payments but continued to buy, contrary to the expectations of some economists, Dr. Neifeld pointed out. Therefore, since most credit ratings remain unimpaired, Dr. Neifeld thinks consumers will expand their use of credit as business optimism grows.

Form Greenberg & Co.

EAST ORANGE, N. J.—Greenberg & Co. has been formed with offices at 573 Main Street to engage in a securities business. J. Julien Greenberg is a principal of the firm.

New Wainwright Branch

PEABODY, Mass.—H. C. Wainwright & Co. has opened a branch office at the Northshore Shopping Center, under the direction of Carroll M. Lowenstein.

Andrews Opens Branch

NORTH ANDOVER, Mass.—Edgar D. Andrews & Co. has opened a branch office at 32 Pilgrim Street under the management of James J. Regan.

With Bache & Co.

SAN ANTONIO, Texas—Bache & Co., members of the New York Stock Exchange, announce the appointment of William Stern as a registered representative. His office will be located in the firm's San Antonio branch in the Gunther Hotel.

Mr. Stern has recently returned to San Antonio after four years in California where he was also engaged in the securities business.

C. G. Ostberg Opens

ROCHESTER, N. Y. — Carl G. Ostberg is conducting a securities business from offices at 39 Bennington Drive.

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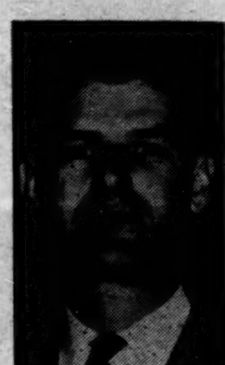

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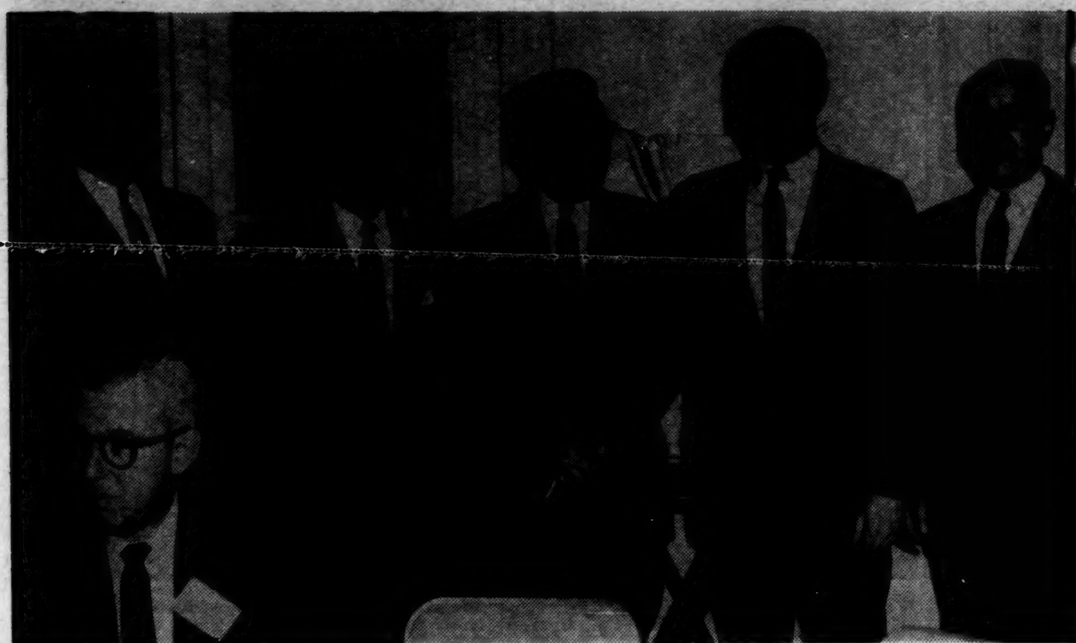

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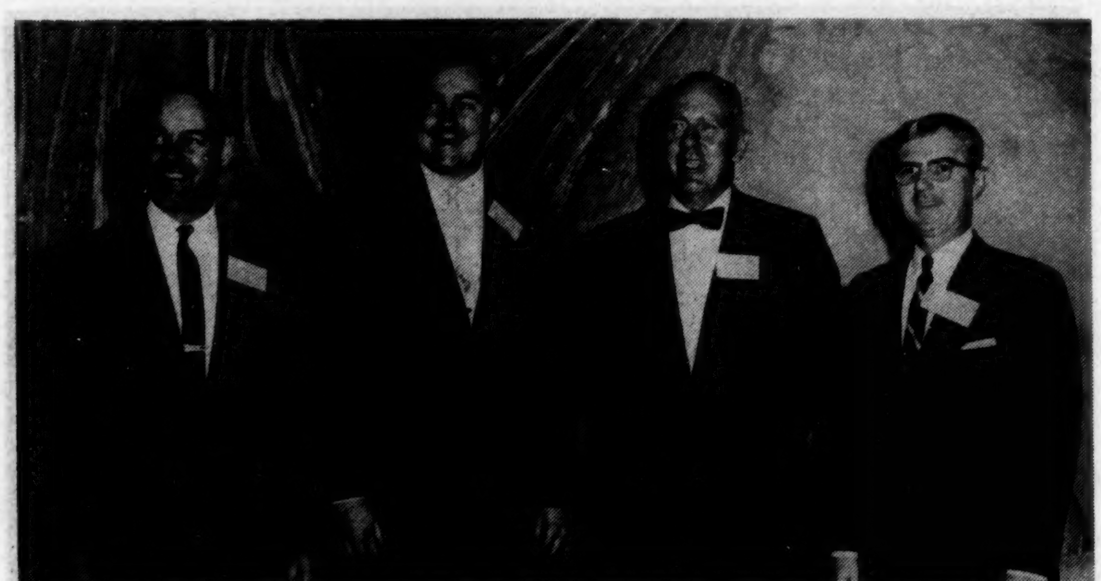

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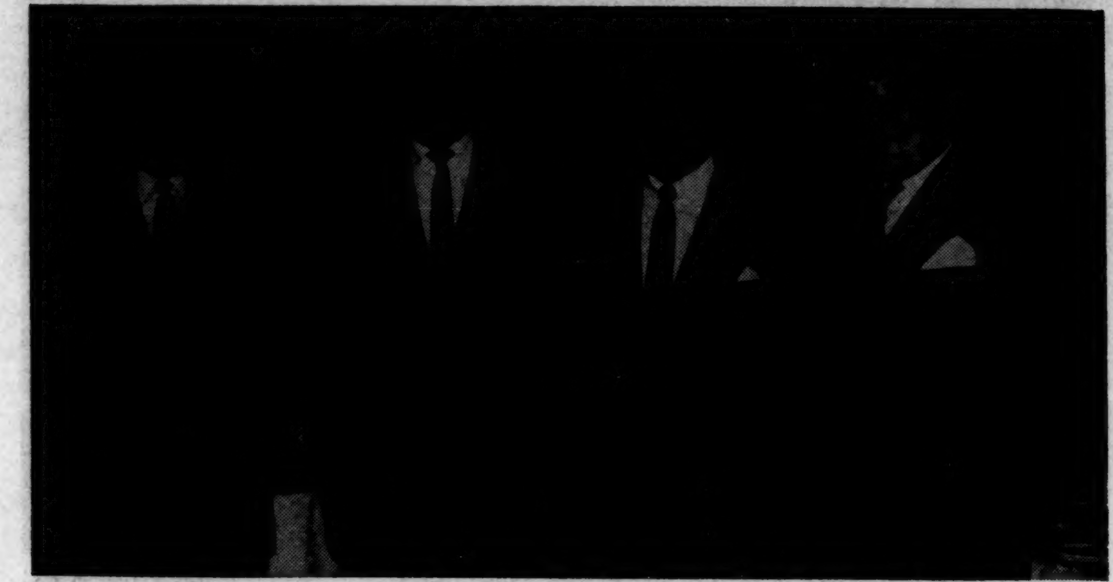

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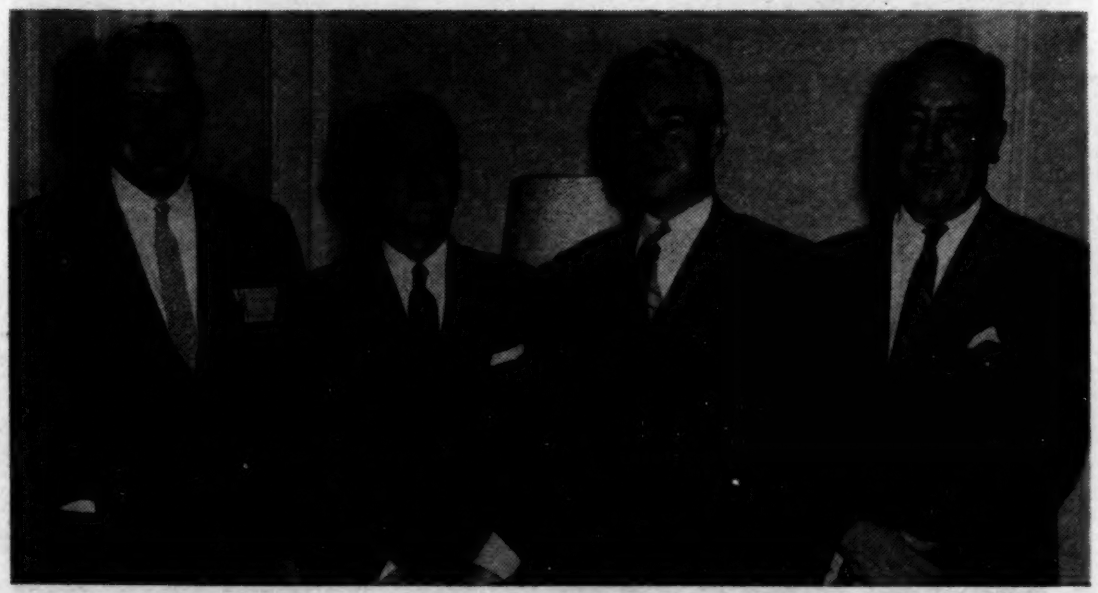

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